

**AGENDA
REGULAR MEETING
CITY OF BANNING
BANNING, CALIFORNIA**

April 14, 2009
6:30 p.m.

Banning Civic Center
Council Chambers
99 E. Ramsey St.

Per City Council Resolution No. 1997-33 matters taken up by the Council before 10:00 p.m. may be concluded, but no new matters shall be taken up after 10:00 p.m. except upon a unanimous vote of the council members present and voting.

I. CALL TO ORDER

- Pledge of Allegiance
- Invocation
- Roll Call – Council Members Franklin, Hanna, Machisic, Robinson, Mayor Botts

**II. PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS
ANNOUNCEMENTS/APPOINTMENTS**

Report by City Attorney

Report by City Manager

PUBLIC COMMENTS – On Items Not on the Agenda

A three-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her three minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

CORRESPONDENCE: Items received under this category may be received and filed or referred to staff for future research or a future agenda.

*Our Mission as a City is to provide a safe, pleasant and prosperous
community in which to live, work and play. We will achieve
this in a cost effective, citizen friendly and open manner.*

PRESENTATIONS:

1.	Proclamation – Morongo Band of Mission Indians	1
2.	Proclamation – DMV/Donate Life California Month.	2

APPOINTMENTS

1.	Appointments to the Park & Recreation Advisory Committee	4
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ANNOUNCEMENTS/COUNCIL REPORTS: *(Upcoming Events/Other Items and Report if any)*

III. A. CONSENT ITEMS

(The following items have been recommended for approval and will be acted upon simultaneously, unless any member of the City Council wishes to remove an item for separate consideration.)

Motion: That the City Council approve Consent Items 1 through 11

Items to be pulled _____, _____, _____, _____ for discussion.

(Resolutions require a recorded majority vote of the total membership of the City Council)

1.	Approval of Minutes – Special Meeting – 3/24/09.	8
2.	Approval of Minutes – Regular Meeting – 3/24/09	17
3.	Resolution No. 2009-27, Declaring the Intention to Levy and Collect and Collect Assessments, Approving the Engineer’s Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1	32
4.	Resolution No. 2009-28, Authorizing the Destruction of City Records as Provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning	41
5.	Resolution No. 2009-29, Amending a Section of Resolution No. 2005-23 to Reflect a Reduction in Benefit Package of the Career Part-Time Classification of Associate Professional Engineer	63
6.	Resolution No. 2009-30, Authorizing the Destruction of City Records as Provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning	66
7.	Approve Final Parcel Map No. 35617 as presented and authorize the City Engineer and the City Clerk to sign said map	72
8.	Amending the Existing Consultant Services Agreement for Financial Planning and Wastewater and Recycled Water System Project with Raftelis Financial Consultants, Inc. to Update the Wastewater Rates and Capital Facilities Fees Report using the latest economical conditions and population projections in the amount Not-to-Exceed \$12,000.00.	75
9.	Approving an Agreement for Professional Services Entitled ‘Financial Planning for Water System with Raftelis Financial Consultants, Inc. of Pasadena, CA, in the amount of Not-to-Exceed \$42,000.00 for the development of water rates and connection fees	79

10.	Approve the budget transfer of \$30,000.00 from the Water Operations Professional Services Account No. 660-6300-471-3311 to the Laboratory Services Account No. 660-6300-471-2332 and Amend the existing contract with E.S. Babcock & Sons, Inc. for laboratory services in the amount of \$30,000.00	107
11.	Report of Investments for February 2009	113

- Open for Public Comments
- Make Motion

IV. REPORTS OF OFFICERS

1.	Bonnie Johnson, Finance Director	
A.	Council Consideration of a Potential City Revenue Ballot Measure and Award of a Professional Services Contract to Tramutola for Public Information and Feasibility Services related to the Same	126
	Recommendations:	
A.)	The City Council direct staff to proceed with moving forward with a proposed revenue ballot measure with a target election date of June 8, 2010 (or an alternative date as directed by Council). <i>(Note: if above recommendation is not approved no need to proceed to recommendation 2.)</i>	
B.)	The City Council of the City of Banning direct staff to bring back a professional services contract with Tramutola for Phase I public information and feasibility services related to a potential city revenue ballot measure.	

V. CLOSED SESSION

1.	Liability Claims	
	Pursuant to the provisions of Government Code Section 54956.95(d) to confer with joint powers authority with regards to the following claims:	

Williams, Royce K v. City of Banning
 Jones, Sherman Et Al v. City of Banning
 Ramsey, Blake v. City of Banning
 Schoen, Paula v. City of Banning
 Mountain Springs, MHP v. City of Banning
 Porter, Enid v. City of Banning
 Pride, Dana v. City of Banning
 Tri-Star Contracting v. City of Banning
 Banning Airport Associates v. City of Banning
 Guerrero, Lyliana v. City of Banning
 Jackson, Jr. Allen v. City of Banning
 Conn, James Robert v. City of Banning
 Hartford Insurance (Kiser) v. City of Banning
 Molleda, Maudie v. City of Banning
 O'Brien, Michael v. City of Banning

Chavez, Beda v. City of Banning
Kauffman, Eugene v. City of Banning
Southern California Gas Co. v. City of Banning
Martinez, Nicolassa v. City of Banning
Dilba, Jonny v. City of Banning
Espinosa, Jose D. v. City of Banning
Verizon v. City of Banning
Kellum, Thomas & James Underwood v. City of Banning
Bisel, Debra & Thomas v. City of Banning
Hammond, Merris E v. City of Banning
Muro, Ezequiel v. City of Banning
Conrique, Martin v. City of Banning

2. Pursuant to Government Code Section 54957.6 Conference with Labor Negotiators
Employee organization: IBEW - Utility Unit and IBEW General Unit, CBAM and BPOA. Agency Designated Representatives: Brian Nakamura, David Aleshire, Bonnie Johnson and Hoyl Belt
 - A. Opportunity for Public to Address Closed Session Items.
 - B. Convene Closed Session

VI. ADJOURNMENT

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m.

NOTICE: Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor and Council. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A three-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor and Council. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her three minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (909) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].



PROCLAMATION

WHEREAS, the Morongo Indian Reservation was established in 1877 and covers more than 32,000 acres, with a resident population of approximately 950; and

WHEREAS, the Morongo Band of Mission Indians is a federally recognized Sovereign Indian Nation and operates the Morongo Casino Resort and Spa, Canyon Lanes Bowling, Hadley Fruit Orchards and other business enterprises; and

WHEREAS, The Morongo Band of Mission Indians is the largest private sector employer in the Banning-Beaumont region and a major contributor to the Riverside County and Coachella Valley economies; and

WHEREAS, the Morongo people continue to be good neighbors and economic partners in the Pass Area and throughout Riverside County, providing over 2,800 jobs; and

WHEREAS, through their own internal programs, as well as grants and partnering with local governmental entities and private non-profit charitable organizations, the Tribe contributes to and improves the lives of many adults and children, in need; and

WHEREAS, the Tribe has recently completed, dedicated and held a grand opening for their new state of the art Administrative Center, which will centralize all of their tribal operations and expand services it provides to members of the Morongo Band of Mission Indians; and

WHEREAS, the 67,000 square foot Administrative Complex and 8,600 square foot tribal meeting facility is located on Pumarra Road, which means "all of the Morongo's" and is designed as a modern interpretation of traditional Southwest Native American architecture; and

WHEREAS, building the Administrative Complex is another example of how the Tribe continues to keep pace with the needs of its people and providing support, to enable them to succeed in the years to come;

NOW THEREFORE BE IT RESOLVED, that I, Robert Botts, Mayor of the City of Banning, along with the City Council do hereby recognize the great achievements of the Morongo Band of Mission Indians in their Casino Resort and Spa, their additional business ventures and most recently the completion of their new Administrative Center; and

BE IT FURTHER RESOLVED, that the City Council and City of Banning express its thanks and appreciation to the Tribe for their support and partnering with the City of Banning, and other organizations within the Pass Area, to assist in making it a better place in which to live, work and play.

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Banning, California to be affixed this 14th day of April, 2009.

ATTEST:

Marie A Calderon, City Clerk


Robert E. Botts, Mayor



PROCLAMATION

WHEREAS, organ, tissue, marrow and blood donation are life-giving acts recognized worldwide as expressions of compassion to those in need; and

WHEREAS, more than 100,000 individuals nationwide and almost 20,000 in California are currently on the national organ transplant waiting list, and every 90 minutes one person dies while waiting due to the shortage of donated organs and the need for donated organs is especially urgent in Hispanic and African American Communities; and

WHEREAS, more than 600,000 units of blood per year are needed to meet the need in California and at any given time, 6,000 patients are in need of volunteer marrow donors; and

WHEREAS, a single individual's donation of the heart, lungs, liver, kidneys, pancreas and small intestine can save up to eight lives; donation of tissue can save and heal the lives of up to 50 others; and a single blood donation can help three people in need; and

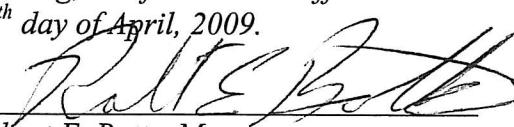
WHEREAS, millions of lives each year are saved and healed by donors of organs, tissues, marrow and blood and the spirit of giving and decision to donate are not restricted by age or medical condition; and

WHEREAS, nearly five million Californians have signed up with the state-authorized Donate Life California Registry to ensure their wishes to be organ and tissue donors are honored; and

WHEREAS, California residents can sign up with the Donate Life California Registry when applying for or renewing their driver's licenses or ID cards at the California Department of Motor Vehicles.

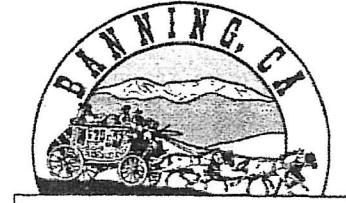
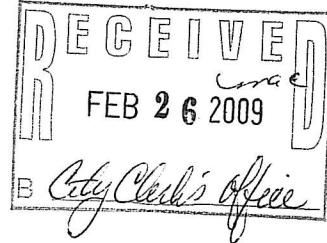
NOW, THEREFORE, BE IT RESOLVED, that I, Robert E. Botts., Mayor of the City of Banning along with the City Council that in recognition of National Donate life Month, hereby proclaim the month of April 2009 as "DMV/Donate Life California Month" in the city of Banning, and in doing so we encourage all Californians to check "YES!" when applying for or renewing their driver's license or I.D. card, or by signing up at www.donateLIFEcalifornia.org or www.doneVIDAcalifornia.org

IN WITNESS WHEREOF, I have set my hand and caused the seal of the City of Banning, California to be affixed this 14th day of April, 2009.


Robert E. Botts, Mayor

ATTEST:

Marie A. Calderon, City Clerk



STAGECOACH TOWN USA
ESTABLISHED 1913

COMMITTEE/BOARD APPLICATION FORM

Name of Committee or Board on
which you would like to serve: PARK & RECREATION ADVISORY COMMITTEE

Name: Wendell D. Bainter

Address: 780 Pine Valley Rd. Banning, CA 92220

Telephone Numbers: (951)769-1835

If employed, where you work and position: Retired Educator

Length of residence in Banning: 6 years

Are you a registered voter in Banning? Yes

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Ample space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

I have a Master's Degree in Political Science from California State University, Long Beach. I taught government at Valencia High School in the Placentia Yorba Linda Unified School District for 25 years. I coached Boy's Varsity Soccer for 5 years. I was Director of Special Projects for the last 5 years as well: this consisted of being the Self-Study Coordinator for the WASC State Review, Director of the VAL-Tech Academy, Chair of the Technology Committee, and Community Service Coordinator. I served for eight years on the City of Yorba Linda's Park & Recreation Commission.....serving 3 terms as chair. Since retiring to Banning, I have been appointed to the Board of Habitat for Humanity of the San Gorgonio Pass Area...serving as President for the past 2 1/2 years. I am also the Treasurer of the Board of the Boys' and Girls' Clubs of the San Gorgonio Pass Area.

What types of major issues does should this committee or board deal with?

The committee should be an advisory body to the city staff and council. It should assist in developing park and recreation programs. It should be involved in developing a parks and recreation master plan whenever that occurs. The committee should be sensitive to the needs of the community with regard to facilities and programs.

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

I am not aware of any specific problems facing the committee other than its need to fill two positions so that the committee will be whole.

Your name will be considered by the City Council upon receipt of your application.

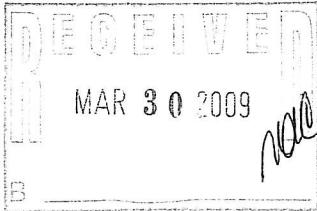
Please return to: City Clerk's Office/City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: February 27, 2009
by 5:00 p.m.

Thank you for your willingness to serve your local government.

Date: February 26, 2009 Signed: Wendell Bunting

Page 2 of 2



COMMITTEE/BOARD APPLICATION FORM

Name of Committee or Board on
which you would like to serve: PARK & RECREATION ADVISORY COMMITTEE

Name: WILLIAM DICKSON

Address: 5700 W. WILSON ST #25 BANNING, CA.

Telephone Numbers: Home 951-741-9956 Office 951-663-1170

If employed, where you work and position LOAN OFFICER

Length of residence in Banning 7 years

Are you a registered voter in Banning? Yes ✓ No

Requested below is information that will be used by the City Council as a screening process to determine membership on City committees. Ample space is provided; please do not submit supplemental materials.

Provide a Biographical sketch, including education, work experience, civic involvement and other background relevant to duties of the position you seek:

GRAD BARBERIAN HIGH BARBERIAN, OHIO

CHABOT J.C. HAYWARD CA. NO DEGREE

BANNING VOLUNTEER POLICE

BANNING PARKS AND REC

CHAIRMAN BANNING PLANNING

Vol. STAGECOACH DAYS / Playhouse Board

What types of major issues does should this committee or board deal with?

UPGRADING AND UPKEEP OF ALL PARKS

Please identify specific problems facing the committee or board on which you would like to serve and explain how you feel they might be resolved:

MONET AND MUN POWER TO KEEP PARKS UP AND
RUNNING

Your name will be considered by the City Council upon receipt of your application.

Please return to: City Clerk's Office/ City of Banning
99 E. Ramsey Street
P. O. Box 998
Banning, CA 92220

RETURN BY: February 27, 2009
by 5:00 p.m.

EXTENDED TO: MARCH 27, 2009
by 5:00 p.m.

Thank you for your willingness to serve your local government.

Date: 3-30-09

Signed: William Nelson

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

3/24/09
SPECIAL MEETING

A special meeting (study session) of the Banning City Council was called to order by Mayor Botts on March 24, 2009 at 4:33 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Franklin
Councilmember Hanna
Councilmember Machisic
Councilmember Robinson
Mayor Botts

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Brian Nakamura, City Manager
Adrienne Konigar-Macklin, City Attorney
Duane Burk, Public Works Director
Brian Guillot, Planning Engineer
Kahono Oei, City Engineer
Kim Clinton, Senior Planner
Marie A. Calderon, City Clerk

PUBLIC COMMENTS

There were none.

WORKSHOP DISCUSSION

1. Proposed Grading Ordinance (Staff Report – Duane Burk, Public Works Director)

Mr. Burk said that before the Council is Draft Grading Ordinance No. 1388 for the Council to review, discuss and file. He has technical staff in attendance this evening if there are questions about the current grading process per our General Plan or specific questions about grading in the city that they have seen in the past and don't want to see move forward. He does know that at one time there was great conversation from a developer on Gilman scarring the mountains and he gave a 3-D presentation to the Planning Commission and City Council and slopes came into effect and he knows that this ordinance does address that issue. He said that there may be questions in comparison to what we have in this draft ordinance to compare back to the General Plan or come back later with some questions since this item is so voluminous. At this time, Mr. Burk passed out the City's current grading ordinance to the City Council. He said as you know, grading has changed regulatory wise just as it relates towards stormwater pollution prevention plans where you see sandbags and silk fences. There is a new ordinance coming out from the Regional Water

Quality Control Board about retaining water or detaining water, building retention basins and water running off into the creeks which staff will be bringing forward at a later time. What staff is doing this evening is introducing this to the Council and giving you a comparison.

Councilmember Machisic said since the new draft is going to be rather extensive what kind of difficulties have we had in this particular area with some of our developments.

Mr. Burk said one of the most difficult is the development on Sunrise and Wilson. The developer came in and graded the lots and put in some stormwater prevention plans and we have no teeth in our ordinance currently to go after him to make him maintain the site as he agreed to when we authorized and issued the grading permit. This ordinance will change that. It will put a fee structure in place or a way for us to manage the developer. Some developers come in and everything just goes smooth. But in this case, Sunrise and Wilson, it did not. Another development that has gone pretty well is the development on Mountain Avenue for Nordquist. You have all seen those pads and they are done and the streets are in and he has available ready pads. That went smooth and the City didn't really have to implement too much of our ordinance. This ordinance here will give us a little bit more authority to go after the developer that does not perform to the agreed project when the Council approved the project.

Mayor Botts said don't we require a bond and in that case weren't we going after the bonding company. Is that mechanism in place and apparently you are asking for more.

Mr. Burk said in our current bonding situation staff comes to the Council and says we are going to bond a project to do all the improvements (water, sewer, storm drain, exterior block wall, curb, gutter, sidewalk) and we take a percentage of that bonding. And in this case all he did was the grading. So now we have to get to a point where we litigate which cost us money and there is no place for us to say to the developer if we have to litigate against you, you are going to have to pay for our attorney fees. So we go against the bonding company and the bonding company says you are right and you have a million dollars worth of bonding surety against the project but you are asking for \$1.5 or \$2 million dollars worth of improvements because he only graded a portion of the tract. So we don't have any leverage to go after the bonding company because they are saying go ahead and do it and then file a claim against the bonds. So this here will give us a little bit more of a insurance policy as it relates to them walking off in early stages because we don't want to go in there and finish the streets, the water, the sewer for him. Now we are assuming the liability and the responsibility. This will be a little bit different approach to a developer that does not fulfill what he said he would do.

Councilmember Hanna said that on that particular issue we had a discussion on this at one time with you and then never had any follow-up and we don't know what happened.

Mr. Burk said that we changed attorneys and are in the transition period with that right now.

Councilmember Franklin said when you are talking about the grading ordinance is this in sync with the General Plan regarding grading and sides of mountains, etc. or are we separate on this.

Mr. Burk said that he would let Brian Guillot speak to that since he drafted this ordinance but it is his understanding that these kind of go in parallel with each other.

Mr. Guillot said that this is in sync with the City's General Plan. He said that where it was affected most significantly was with the hillside grading. On page 12, there is a section on hillside grading and that is directly from our General Plan. Section 18.12.180 – Hillside Grading on Page 12, the four Items A., B., C., and D. are nearly verbatim from the General Plan and now give us legal authority in regards to hillside grading.

Councilmember Franklin said there is a section that talks about us being in compliance with the minimum. Do we not want to do more than just the minimum?

Mr. Guillot said again, remember this grading ordinance that we are proposing would be applicable on all grading permits here in the city. Each of those projects gets reviewed independently by the Planning Commission. These are the minimum standards that the City Engineer's office would reflect on each of the plans. However, if there are other circumstances that would require, for example, more landscaping setback or some other type of affect, which would be imposed on the project through conditions of approval. In other words, we wouldn't want to impose all of that on each and every project. We would just want the minimum things; the things identified in our General Plan in the actual grading ordinance.

Mayor Pro Tem Hanna said she had a number of things and would go through each of them at this time:

- She asked if this would have dealt with the erosion of home yards and parks such as Richard Sanchez Park. Because she feels there is a lot of erosion around the entrances and the yards in that particular development.

Mr. Guillot said Section 18.15 addresses Erosion and Sediment Control and as you will see within those sections there is also site vegetation required. This would be landscaping to protect grading operations. This is not the landscaping that would be required for beautifying the project by our Planning Division. This is basically a minimum standard in order to avoid erosion.

Mayor Botts asked if that would apply, for example, when the park was completed and we required plantings for beautification but for soil erosion and those kinds of things would this always apply when they are grading or when the project is finished?

Mr. Guillot said he was not familiar with the project that he is referring to but to answer your question if you were to grade a site and there was a span of time between when the site was graded and when the site was fully developed this would be required on that site in that interim time period. It is good for us in that we can protect those sites and then there is also securities involved and maintenance involved on the part of the developer for limited periods. In fact, part of this is an agreement is very similar to the agreement we might use with a subdivision.

Mr. Burk said as it relates to the park when we bring forward the water quality management plan program with the Regional Water Quality Control Board that is going to be an all new regulation

as it relates to the long term maintenance of the erosion or run off detention/retention basins for onsite.

Mayor Pro Tem Hanna continued:

- On page 2, Chapter 18.03, it starts talking about permit exemptions and that grading permits are not required for repaving, resurfacing, and maintenance of existing private roads and parking lots and the preparation necessary for work, provided no grading beyond the limits of other exemptions is performed. The reason that she is bring this up is that we have some gravel parking lots right now that may be required in the near future to be paved but they won't require a grading permit or is not quite the case.

Mr. Guillot said by definition that would be a new parking lot. So it would require a grading plan if it is in excess of 5000 square feet. And those requirements really relate back to the things that Mr. Burk was speaking of in regards to the water quality requirements.

- On page 5, under 18.06.100 - Dust Prevention and Control Plan, it says that at minimum all operations shall comply with South Coast Air Quality Management District Fuel 403. What if there are new rules that come out from SCAQMD is that going to be incorporated into it or is there some way of saying "any additional regulations in the future."

Mr. Guillot said the way they address that through this ordinance is the Council has given authority to the City Engineer to adopt a grading manual and there is a copy of that for Council's consideration as well. You are giving him that authority also to amend so as things change the City Engineer can change the grading manual.

On page 6, Slope Analysis Plan – Section 18.06.180 states that, "A slope analysis plan shall be submitted with all development proposals of five acres or more as requested by the Community Development Director. Grading plans, regardless of the date of submittal, shall include a slope analysis plan designed to distinguish existing slopes less..." She said she was just confused by the words, "regardless of the date of submittal". Obviously these would be grading plans submitted after this ordinance takes affect. So whenever in the development process that occurs then we have to do this and it is not retroactive. Mr. Guillot said that was correct.

- On page 7, Section 18.09.060 – Contractor Qualifications, how do we know that people do have all of the required licenses and insurance. Who evaluates that?

Mr. Guillot said that was part of the permit process under permitting and it is detailed in the grading manual. But just simply when they pull the permit the technician at the counter goes on the internet and checks the California website to make sure that they have valid permits and also check business licensing and insurance at the same time. Mayor Pro Hanna also asked if all the specialists such as the geotechnical, seismic stuff is always checked to determine that those people are licensed. Mr. Guillot said yes.

- On page 8, Protection of Adjourning Property, Item A – the person making or causing the excavation to be made shall provide written notification to the adjoining property owners not less than ten day before such excavation is to be made. How do we know that happens?

Mr. Guillot said part of this is a grading plan that gets produced through the City Engineer's office and gets distributed to the inspector. So the inspector would be responsible for many of the notes being included on that plan and so he would assure that is being done by on-site inspection. He would also get a copy of the letter that was sent and be on the log of the inspector.

Mr. Burk said as we adopt this ordinance what we are currently doing is going to be adding some sort of laundry list of what they are going to have to do for the new permit so the inspector would have to go out and have a pre-job meeting and say before you start you are going to have to notify the homes and we are going to see that letter and produce that they were all notified. This would be a mechanism in place so that we do have a way to trace back that they were or were not notified.

- On page 17, under Article 7 - Grading Inspection, Section 18.18.020 – Inspection required states, “All grading operations for which a permit is issued pursuant to the provisions of this ordinance shall be subject to inspection by the City Engineer or his or her representative.” She understands the “his or her representative” gives a lot a latitude but it seems like the City Engineer could be responsible for a great many things. She doesn’t see how it is possible and she is worried in certain specific developments whether in fact that oversight is possible or has occurred.

Mr. Guillot said that is more of a legal addressing of a requirement. The City Engineer is a licensed profession and has practical professional oversight over this and he is responsible to the State of California and to the City Council. He said that he himself is not a licensed individual and has worked in engineering many years. The state of California allows individuals to work under that City Engineer’s guidance and so the inspector would actually be under his guidance and any other engineers that are not licensed would be under him. That is the meaning of that sentence.

Mayor Pro Tem Hanna said that right now we are contracting with the County for seismic review and how does that work.

Mr. Guillot said we are a small city so we don’t have a qualified geologist on staff and the State requires that that individual have expertise in seismic studies. There are many, many professional qualifications and the County has such an individual and the County is gracious in that they allowed this individual to contract with cities here in Riverside County so we take advantage of that expertise. He said that in regards to the Pardee project the northern part of their project is along a fault zone and so the County geologist actually made a field visit and wrote a report.

- On page 18, Section 18.18.080 – Notification of Noncompliance, it states, “If, in the course of fulfilling their responsibility under this division, the engineer of record, the geotechnical engineer, the engineering geologist, or the testing agency finds that the work is not being performed in accordance with approved plans, specifications, or this ordinance, the discrepancies shall be reported immediately in writing to the grading contractor, the

permittee and the City Engineer.” So any of those folks can do that and initiate that process. Mr. Guillot said that was correct.

- In regards to the Procedures Manual, Page 3, Rough Grading Plan, Item 3.3 A, states, “Prior to issuance of a grading permit, the rough grading plan shall be approved by the City Engineer and reviewed by the Community Development Director.” She asked does it need to be approved by the Community Development Director.

Mr. Guillot said we are talking about grading which under the definition of the State of California makes an engineer the licensed professional in charge. And generally the Community Development Director’s are not licensed engineers so basically if he doesn’t agree with it the City Engineer he is not going to approve the grading plan. But again, legally the approving authority is the City Engineer and of course, the Community Development Director would be reviewing whether it is in conformance with the zoning code, etc.

Mayor Pro Tem Hanna said that she is concerned that all the issues under the responsibility of the Community Development Director are important and significant and it has been the case in the past that these two departments haven’t always worked well together and so she is just concerned if it is a mirror review that they may not be integral to the approval process.

Mr. Guillot said the intent is to actually put a signature block for the Community Development Director “reviewed by”. But again, if we say he is approving it, then we might run into some issues by the State.

- Further on that page Item B.2, it states, “A minimum of two (2) contour intervals that extend a minimum of fifty feet (50’) off-site or sufficient to show on-and off-site drainage;” This is one of her concerns in that always in planning we tend to get the proposal on the property lines as though it existed independent of any surrounding properties. She doesn’t know how this plays out but she is just concerned in planning that we are not seeing enough.

Mr. Guillot said remember that these are the minimum standards so this is what we would do for each and every project. If there is something that reflects an impact, they would of course specify at that time that it needs to show more information.

Mayor Pro Tem Hanna said she would recommend that any developer/proponent of a project show us much more and show how it fits in the whole neighborhood or the nearest developed areas and so forth. That they not come just with the parcel involved. She feels that is unfair to the whole community to do that.

Mayor Botts asked if there are more 3-D kinds of things coming to the City and he is assuming that we shouldn’t or couldn’t mandate it but it has been discussed for years how much more meaningful it is to have the 3-D versus straight lines and you don’t get any sense of the contour. Are we seeing more of that?

Mr. Burk said he can't promise that every developer that comes here is going to bring a 3-D presentation like the one given by the developer on Gilman. However, he thinks the developer will understand the sensitivity of the project in a mass grade form with this ordinance in place.

- On page 5, 3.5 – Single Residential Lots, it states, “A precise grading plan shall be submitted as part of the application for a building permit for all custom residential building sites with lots greater than 7,000 square feet...” She said she thinks our minimum lot size normally is 7,000 square feet. However, there could be developments where we will permit smaller parcel sizes and her concern is why wouldn't that be the case if it were unit development.

Mr. Guillot said if it is a planned unit development it would have an overall plan and would include the grading plan over the whole site. He believes this is for smaller lots and didn't want to burden them the requirement of a grading plan.

- On page 6, 3.6 – Geotechnical Reports, it states under B.2 a, second sentence, “This includes grading on hillside sites where the height of cut slopes exceeds six (6) feet unless the requirement is waived by the City Engineer.” She asked why would it be waived by the City Engineer?

Mr. Guillot said he believes that they could probably eliminate that whole paragraph now because the Building Code now requires geotechnical reports for any single-family developments.

Mr. Burk asked if the Council was in agreement that 3.6 - 2.a would be under the Building Code. There was Council consensus.

Mayor Botts asked if we started from scratch on this ordinance or did we take it from one that was working well for someone else.

Mr. Guillot said previous to his employment here he was with the City of Temecula and this is primarily the grading ordinance that he was familiar with there.

Mayor Pro Tem Hanna asked if it differed very much from the County's grading ordinance.

Mr. Guillot said he is not so familiar with the County's grading ordinance but he knows that most municipalities including the County are really looking at the grading, their drainage and all their legal authority in that regard right now because of the new requirements by the State.

Mayor Pro Tem Hanna asked Mr. Guillot to take a look at the County's grading ordinance and compare it. She would be interested in it because there was some coverage of the County's grading ordinance when it was being considered so she is just curious.

Mr. Burk said as they move forward with the WQMP staff will be following the City of Moreno Valley's current application and mold it into here and also the City of Temecula's because they were the two speakers at the event in the desert that already have the program in place.

Councilmember Machisic said these grading permits may fulfill the requirements of them and you know that we have erratic weather here for instance there are years when it rains barely five or six inches and the rains are not generally heavy and then a year or two from that we may have all of a sudden a 2 to 3 inch rain and it devastates some projects. In this policy do we have any recourse after that duration of time?

Mr. Guillot said yes. In Article 6, 18.15 – Erosion and Sediment Control on page 13, it mentions temporary site vegetation would be required but also in Securities there is actually a requirement that gives us authority to ask for a cash deposit to make sure that things are maintained and if we have to go in and maintain something, we give them notice to repair it. If they don't do that and we have to send in our own forces to do that, we have the ability now to actually recover some of the costs.

Mr. Burk said an example of that is exactly what happened to us on Wilson and Sunrise. We ended up expending our own forces and put a bill together and sent it to the developer and we don't have any recourse unless we sue. And if we go to sue, it will cost us more than what we spent in cleaning it up. But that is exactly why we wanted that language in there.

Councilmember Franklin said we talked mainly about development for grading but when we have instances like the rock quarry and they are already in operation but if they continue to do excavation in their area does any of this apply to them.

Mr. Guillot said he believes the quarry is covered under SMARA Rules which is the State Mining Regulations and also air quality regulations. They do not have a permit with the City of Banning for their grading operation. If look at the exemptions under the grading ordinance, one of them is mining and that is because the State primarily regulates the reclamation plans. We do have air quality regulations in this grading ordinance but again, they are connected directly to a grading permit which the mine wouldn't have from the City.

Councilmember Robinson asked how Omar & Ramsey fit into this whole situation where possibly that grading slop was at the wrong ratio when it was put in. It came under contract by the City to do that and now we had to go in and fix it.

Mr. Burk said the thing about Omar & Ramsey beside it dating back for numerous years is that the developer for LTV Homes which is on the west side of Omar put a storm drain in and did cross lot drainages from the houses that fronted Omar over to the street to the west put a storm drain in there. His storm drain requirements were mitigated to the west and with the development of Fiesta to the north. The runoff and erosion that we currently see now is because the roads were paved on Omar and that water runs down from San Jacinto St., 41st Street and there were no provisions for storm drain in there. And if you remember, at one time Omar was a dirt road and we went in there and paved it for numerous reasons one being dust control and the other that people were cutting across and dumping. What we are experiencing at Omar & Ramsey right now is that we need to go in there and put some type of a modified curb to get the water to stay into that vacant field which would be east of the dealership. When that doesn't take place it usually comes across that and heads to Smith Creek between the dentist office and Smith

Creek Saloon and it did cause some runoff erosion. What they plan on doing is putting some curbing in there to shift the water to the Smith Creek Channel.

Councilmember Robinson asked if there was any recourse on those two developers because we really didn't create the problem. We may have enhanced the problem by paving but we didn't create the problem; they did. But we have no recourse of those developers to get any of those funds for the work that you are doing out there now to solve this problem. But under this agreement or draft, we would then have recourse to go back after them.

Mr. Burk said if they are part of the problem, then yes we would. If not, then we would have to come back and do like we are doing now and fix that. He explained the improvement that was just made at Omar & Ramsey.

Mayor Pro Tem Hanna said that Mr. Burk mentioned cross lot drainage for that development and she asked if we are still permitting that. Are there any regulations to prevent it? She has been told that it is not seen anymore and it has been years since folks have seen this and we have two new developments in town that have antiquated and ineffective approach that homeowners don't know what to do with.

Mr. Guillot said that is a real challenge from an engineering standpoint and it becomes more of a challenge on the larger lots. For example, if you have a two acre or one acre lot it is difficult to grade the whole acre or two acres to drain to the street. So what is in the grading ordinance now is that there is a maximum slope that water can be drained over in order to avoid problems with cross-lot drainage. In other words, there are limitations on that and it was addressed.

Mayor Pro Tem Hanna asked how do other cities get around it? Mr. Guillot said the way you get around it is that you grade all lots to drain to the street and then there is no cross lot drainage. Mayor Pro Tem Hanna said she would like to see us not allow developers to use that technique at all.

Mr. Burk said that he will be back to the Council for another workshop because there are some issues in regards to grading and water quality management in the long term. He will also bring back any questions the Council may have at that time and finalize this and then introduce the Water Quality Management Plan.

ADJOURNMENT

Motion Hanna/Robinson that the meeting be adjourned. Motion carried, all in favor.

By common consent the meeting adjourned at 5:17 p.m.

Marie A. Calderon, City Clerk

THE ACTION MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

3/24/09
REGULAR MEETING

A regular meeting of the Banning City Council was called to order by Mayor Botts on March 24, 2009 at 6:46 p.m. at the Banning Civic Center Council Chambers, 99 E. Ramsey Street, Banning, California.

COUNCIL MEMBERS PRESENT: Councilmember Franklin
Councilmember Hanna
Councilmember Machisic
Councilmember Robinson
Mayor Botts

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Brian Nakamura, City Manager
Adrienne Konigar-Macklin, City Attorney
Duane Burk, Public Works Director
Nicole Mihld, Purchasing Manager
Hoyle Belt, Human Resource Director
John Jansons, Redevelopment Manager
Heidi Meraz, Recreation Director
Phil Holder, Lieutenant
George Thacker, Assistant Public Utilities Director
Jeff Stowells, Battalion Chief
Marie A. Calderon, City Clerk

Councilmember Machisic invited the audience to join him in the Pledge of Allegiance to the Flag. The invocation was given by Mayor Pro Tem Hanna.

PUBLIC COMMENTS/CORRESPONDENCE/PRESENTATIONS
ANNOUNCEMENTS/APPOINTMENTS

Report by City Attorney – There was nothing to report at this time.

Report by City Manager

City Manager said he wanted to clarify that at the last meeting a gentleman was concerned about the Banning Unified School District and their music and arts programs. He was assured by Superintendent Kennedy that it was a staffing change and not a structural change to the program.

PUBLIC COMMENTS – On Items Not on the Agenda

Ellen Carr – 471W. Fourth Street voiced her concerns about the Banning Animal Shelter. She said there is so much work to be done down there and she hasn't seen Banning step forward to the plate and try to make it a better place. The only ones that have made improvements seem to be the County. There is a need for the outdoor kennels to be covered for the animals to be protected from rain and sun and not just with tarps that get torn off when the wind blows. In cleaning the kennels there is a problem with the sewage flowing from one kennel to another and it is unhealthy and a lot of diseases are passed this way. Also between each kennel there is plain chain link fencing and there needs to be something solid so it would stop fence fighting, etc. She said the animals deserve better than what they have and asked that this please be looked into.

Mayor Botts asked the City Manager to look into this matter.

Stan Stossel, Assistant Business Manager with IBEW-Local 47 addressed the Council stating that these are challenging times that require cool heads, thoughtful decisions and shared sacrifices. Last month he spoke to the Council and gave their commitment to help resolve the City's financial crisis. He assured the Council that the Units they represent would be willing to do their part to assist the City through these troubling times but they insist the sacrifices be shared across the board. He asked that they not mistake their recognition of the magnitude of the problem in their search of reasonable and fair remedies as a sign of weakness; it is not. If the Council proposes a solution that puts the majority of the burden on a minority of the problem, they will fight and oppose by all legal and ethical means. He said last month the Finance Director presented a power-point presentation that showed IBEW employees represent less than 30% of the General Fund and if he understood the presentation, wages represent about 60% of the budget for all General Fund expenses. In other words about 18% of the total General Fund is due to employees represented by IBEW. He would expect that our share of the burden should be somewhere between that 18% and 30% of the total sacrifices made by the entire City and anymore would be unfair. Rumors are rampant and fear is becoming the dominate emotion here in the City. They have heard that department heads have met last week to look for solutions and since they too are City employees he wonders if any of their proposals call for them to make sacrifices equal to what they contemplate for IBEW members. They have offered proposals to meet our share. We have seen what happens to an economy where the wealthiest are protected and the workers get short-changed. Corporate executives got millions as they laid off workers. The initial government bailouts help the wealthy and left little for the multitudes. Do not follow that path. Be fair, compassionate, be reasonable and let us work together. We must protect the most vulnerable those who struggle living from paycheck to paycheck. As a City and as a society we have a moral obligation not to punish those who have done no wrong. The City was clever (he means that in a very positive manner) when it combined water and wastewater groups to help fund and raise the money for the police station being built next door. We fully support that building and believe it is a great thing but if we use just a fraction of that type of creativity that was used to fund that building we can certainly protect a few jobs. And don't mistake jobs; its people that we are protecting, men and women, family and children that all live in or near this community. They are neighbors and friends; don't turn them out.

Tom Lara, General Unit Chairman and General Unit Stewart echoed what Mr. Stossel said but would also like to bring up the fact that times are hard and people have to do what they have to do to make ends meet. He doesn't think this is the time to get into a mud slinging contest or get into

a battle between units, Councilmembers, managers, etc. He has always taken the approach since he took over the Chairman position that we all work together. We are all City employees, City Councilmembers and we all work together and you don't want to see anybody sacrificed although sacrifices needs to be made we look at each other as whole and not just individual units. It was said a while back that while layoffs are not going to affect you but his point of view is when layoffs do take place, furloughs or what have you whenever you make a sacrifice anywhere we are all affected. It is not just the chosen few and then everybody else goes about their business. We need to take the approach that we are all in this together; we should fight for this together and fight in the right direction. He doesn't necessarily believe that it is going to take place and certain people have to suffer. He thinks it is going to be across the board although there has been an approach taken by certain people that we are not sacrificing anything and just let layoffs take place. That is not our approach but you have to do what you have to do. We are all affected and we are all here to do our part and they are willing to sacrifice but expect the same in return from all units.

Jason Valdez, Water Crew Leader echoed what Tom Lara touched on. They are more than willing to do their part and they hope that every option other than layoffs has been explored before we go to that. Every member of their workforce are good people and all have families and know that times are tough and they are willing to make sacrifices but really hope that all options are explored before we go to layoffs.

Martin Fuller, 160 E. Charles Street and owner of Dick's Tire Mart stated that they used to be on West Ramsey St. but have relocated on the other side of the freeway at 1177 W. Lincoln, Suite 100B. It is a little bit smaller and he is asking in the interest of saving overhead that they would appreciate people calling to make an appointment for their auto service and also welcome walk-in customers but be aware that they will take appointments ahead of walk-ins.

Don Smith said he was given a pamphlet from Councilmember Robinson when he came back from the National League of Cities in regards to a program that is free to the City, if they sign up, to get discount cards for pharmaceutical supplies that gives people who don't have insurance 20% off the price. Also he spoke in regards to the time he was on the Council and they only laid off one employee during that time period. From their standpoint layoffs were the last option and most of our employees are hard working and good at what they do. He would encourage creativity in trying to avoid layoffs and thus more people who can't pay their bills. He does support this Council and he wishes them the best of luck because he knows how difficult that job can be when you are dealing with this issue.

CORRESPONDENCE:

Mayor Botts said he received a letter from Judge Prevost who was here at the last Council meeting and he wrote thanking the Council for the opportunity to come as well as looking forward to working with them specifically on the court house.

PRESENTATIONS:

1. Proclamation – Child Abuse Prevention Month

Mayor Botts and the City Council presented a proclamation proclaiming the month of April 2009 as Child Abuse Prevention Month and urged all residents to become more aware of this nationwide problem.

Nancy from Prevent Child Abuse Riverside County accepted the proclamation and stated that child abuse has no limits, no boundaries, no economic bounds, no social bounds, no cultural bounds and no ethnic bounds. They are encouraged that the cities in Riverside County are taking action in helping them, a non-profit organization, to make this month of April one that hopefully will see us reduce the incidents of child abuse and neglect. They are so thankful and grateful for the Council's efforts and help.

ANNOUNCEMENTS/COUNCIL REPORTS: (Upcoming Events/Other Items and Report if any)

Councilmember Franklin –

- To follow-up on what Don Smith talked about Riverside County is part of a nationwide program to help people who do not have insurance. You can sign up online by going to www.caremark.com or you can call toll free to 1-877-321-2652. There are forms available at City Hall. You can save up to 20% and there are over 25,000 pharmacies countrywide that participate in the program. There are no requirements regarding income or age and anybody can sign into the program and it applies not only to pharmaceuticals for people but also for animals.
- She had the opportunity to attend a presentation regarding child abuse the week before last and what struck her was that one out of every four children is abused whether it is mentally, physically or sexually. If that was something like cancer we would be in a uproar, but as child abuse it is something that is done across all economic levels, all ethnic groups and many people don't want to talk about it but it is something that we have been asked to look at especially in children who display different behavior than the norm then that means something could be going on with them. We should just be aware as we see the children around us because a lot of times it happens by people that the children know.
- Also she was called by a representative of Senator Boxer's office who was doing a mobile office tour here and she was able to take her around the city and show her the different areas and she knows the Mayor and Chairman Robinson went to D.C. and after she received a copy of that presentation she was able to hand it to that representative but it was really good to take her around to see the grade separation, the water canyon and other places that we have here and it was really good just to be able to have that contact from Senator Boxer's office.
- She also attended recognition for Alternative Dispute Resolution. This is a county-wide program that works in conjunction with our courts and the people that do the alternative dispute resolution are actually volunteers. They go into the courts and work under a mediator and they help to resolve some of the minor civil disputes under \$25,000. She is very proud to say that we have two people from Banning out of the 50 who were recognized and they are Geraldine and Michael Thompson who each volunteer 138 hours in the last year. They are always looking for volunteers.
- March 14th was the Bulky Item Drop Off and there were quite a few people who showed up and quite a few volunteers.

- Upcoming – this Saturday, March 28th – Living Well in Today’s Economy Seminar to be held in the City Hall Council Chambers from 9 a.m. to 1 p.m. It is available to everyone in the public and there is no charge. Shamika Tankerson, money management expert will talk about things you need to do if you are having problems with your money. Fair Housing will be here to talk about people who are having problems with their homes with mortgages and possible foreclosures. Larry Ward will be here to talk about the County Assessors Office and he will have a presentation regarding taxes.
- The Recycling Fair will take place on Saturday, March 28th from 9 a.m. to Noon.

Councilmember Machisic –

- He attended a special ceremony at Coombs Middle School in regards to the G.R.E.A.T. (Gang Resistance Education and Training) Program which is offered by the Banning Police Department which involves 300 students who are involved in activities of all kinds. The graduating sixth-graders put their hand print on a tile and a local potter fired it up in the furnace and then on the side of their building they put 300 of these hand prints up on the wall. It was a class-wide “Make Your School a G.R.E.A.T. Place project.

Mayor Pro Tem Hanna –

- She said she attended the Hemmerling School Recycling Program sponsored by the Western Riverside Council of Governments. It was very interactive and the kids learned a lot about taking care of the environment and recycling.
- Starting this weekend March 27th, 28th and 29th and also on April 3rd, 4th and 5th PAPA (Pass Area Performing Arts) will be performing the play “Harvey”. It will be held at the Banning Women’s Club and you can purchase tickets there.
- In April the Legacy Christian Center will be holding their fantastic Easter Egg Hunt at Repplier Park on Saturday, April 11th at Noon.
- Relay for Life will be held on April 18th
- April 25th the Disaster Expo will be held at the Community Center from 10:00 a.m. to 2:00 p.m.
- April 25th the Art Hop will take place all day long in downtown Banning
- She said she and the Mayor were able to attend the League of California Cities Division Dinner last evening and wanted to let the Council know that there is going to be a fundraiser for the League of California Cities on Saturday, May 16th for the Riverside County Division. They will be going to the Follies in Palm Springs and there will be a preliminary party in advance of attending the Follies but wanted the Council to put this on their calendars.

Councilmember Robinson –

- He said they had the pleasure of attending the California Highway Patrol rededication this past weekend and it was very moving and is a great facility. He said that Senator Benoit was in attendance and spoke to the community and the families representing this downed officer who was memorialized.
- He said that we went to Washington D.C. to meet with representatives of Senator Boxer and Senator Feinstein and Congressman Lewis and presented our programs that are very important to us here in Banning for the Fiscal Year 2010 budget. We are very hopeful that each one of the five programs that they presented will be put forward into the Fiscal Year 2010 budget from the federal government. They also learned an awful lot at the National

League of Cities about programs that are out there right now in regards to the stimulus package and the recovery packages. It is kind of interesting that some of these groups are used to dealing with a billion dollars and that same group this year will be dealing with 17 billion dollars. So they are going through a gearing up phase and will probably be adding 10,000 staff members to make all of this happen. We are looking forward to getting information from them on how this program is going to work and will apply at that time and also apply through the state offices.

- He toured New Horizons and met with Dr. Kennedy and the principal. They need computers and more space to take in more students. These are the forgotten students between 16 and 18 years old and they are there for a purpose. They have 97% attendance at that school. And they also reach out to the Coombs School where they go over and tutor and work with the kids so that they can get extra credit hours to graduate. They are doing an excellent job and about 20 students will graduate in May.

Mayor Botts –

- In regards to PAPA we have one of the leading ladies from the Harvey performance, Katherine Robinson, in our audience and we appreciate all she is doing and not only in the play but for the Banning Cultural Alliance and PAPA.
- He said that he and Councilmember Robinson had very fruitful, tiring days in Washington D.C. As mentioned there are 10,000 appointees that have not been made and of course, they are the ones that write the regulations after the laws have been passed and it is a major challenge. It was a good trip and they had time with both Congressman Lewis and Senator Boxer and staff time with Senator Feinstein and had their list of five or six capital budget issues such as the grade separation and flood control. They spent a little money but they needed to be there face to face with legislators that we all elect.

CONSENT ITEMS

Mayor Botts pulled Consent Items 4 and 5 for discussion. Councilmember Machisic pulled Consent Item No. 8 for discussion. Councilmember Robinson pulled Consent Items 9 and 10 for discussion.

1. Resolution No. 2009-12, Rescinding Resolution No. 2008-120 to Amend the Classification & Compensation Plan for the City of Banning.

Recommendation: That the City Council adopt Resolution No. 2009-12, amending the City's Classification Plan to reflect the change of the classification to add Associate Electrical Engineer to under fill the Electrical Systems Engineer position. The current salary Range is 86 for Electric Systems Engineer and the Associate Electrical Engineer is recommended at Range 72. Staff recommends that by filling this position with an entry level professional position would meet the needs of the Electric Division. In addition, adopt the attached job description of Associate Electrical Engineer.

2. Resolution No. 2009-21, Establishing the Building Standards Administration Special Revolving Fund (BSASRF) Fee Adopted by the State of California.

Recommendation: That the City Council adopt Resolution No. 2009-21, establishing the Building Standards Administration Special Revolving Fund fee applicable to all development in the City of Banning.

3. Resolution No. 2009-22, Authorizing An Appropriation of Funds for the Engine Repair of Transit buses Unit Nos. 217 and 221.

Recommendation: That the City Council adopt Resolution No. 2009-22, Authorizing an Appropriation of Funds for the Engine Repair of Transit Buses, Unit Nos. 217 and 221, in an amount not-to-exceed \$27,228.88 from the Fleet Maintenance Fund to Account No. 702-3800-480.30-05.

6. Resolution No. 2009-26, Authorizing Western Riverside Council of Governments to Submit an Application for the Transportation Planning Grant Program on Behalf of the City of Banning.

Recommendation: That the City Council adopt Resolution No. 2009-26, Authorizing Western Riverside Council of Governments to Submit an Application for the Transportation Planning Grant Program on behalf of the City of Banning in order to develop a comprehensive study to encourage an environmental friendly transport sector and to authorize the City Engineer to execute the application and have Western Riverside Council of Governments submit the application to California Department of Transportation (CALTRANS).

7. Filing Notice of Completion for Vacuum Potholing Services for the Design and Engineering Criteria for the State Water Project Pipeline.

Recommendation: That the City council direct the City Clerk to record the Notice of Completion for the Vacuum Potholing Services for the engineering Criteria for the State Water Project pipeline.

Motion Hanna/Robinson to approve Consent Items 1, 2, 3, 6 and 7. Mayor Botts opened the item for public comments. There were none. **Motion carried, all in favor.**

4. Resolution No. 2009-23, Authorizing 2008-09 Expenditure Line Item Reductions as Reflected on attachments "A" and "B".
5. Resolution No. 2009-25, Authorizing the City Manager or His Designee to Execute For and On Behalf of the City of Banning Any Actions Necessary for the Purpose of Obtaining Financial Assistance Provided by the Governor's Office of Homeland Security.

Mayor Botts said that these are two items that he thinks we all need to have a little discussion about. He alluded to the fact that we in good faith are trying to balance the City budget and heard from a number of speakers from our bargaining units and his response on behalf of the Council is that we are looking at everything. We need to do that and we have a significant budget deficit and they are trying to be fair. But these two items address some of our initial approaches. These are non-employee related but they have asked staff to say in order to get a handle on our budget we

have to comb it and go through it. We have been talking about this for a significant amount of time and he just wanted these two items highlighted.

City Manager said as you know we are exploring every option in terms of “everything is on the table” especially if they are non-personal issues because those are the things we need to conserve and try to find resources whether they be through grants or through donations or however we want to make it. The items that staff has selectively looked at to reduce which are called “non-personal” are those items we believe we can do without. It doesn’t necessarily mean that we can do without and then there will be no impacts to our service levels. We will still continue to try to provide the services that we do to the best ability we can given that we have items throughout our budget that have been reduced. You see here cost reductions anywhere from advertising and publishing to alarm services, to repair and maintenance on buildings, fertilizer and those types of items. There is even an item for \$60 on the reduction list. That is how critical we are addressing our issues of non-personal items. He wanted to assure the Council that staff is looking through this budget daily to make sure we address those issues before we address the personnel issues we have to address.

Motion Franklin/Machisic to approve Consent Item No. 4, to adopt Resolution No. 2009-23. Motion carried, all in favor.

Motion Robinson/Hanna to approve Consent Item No. 5 to adopt Resolution No. 2009-25, authorizing the execution of Appendix C, Governing Body Resolution of the FY 08-09 California Transit Security Grant Program and California Transit Assistance Fund (CTSGP-CTAF) Application. Motion carried, all in favor.

8. Amending the existing Agreement with Metcalf & Eddy, Inc. to Provide the Potholing of the Alignment and Downsizing of the Proposed 53" to 36" Diameter State Water Project Pipeline.

Councilmember Machisic said that this deals with water and he has discussed this with the Water Department and what this is is an extension of the pipeline that ends in Cherry Valley at the present time. At first we proposed a 24" line and the San Gorgonio Pass Water Agency came back and they wanted to expand it to 52". Now they are coming back and indicating that 36" will handle the pipeline. He is concerned about the City picking up the cost. He gave some background stating that the San Gorgonio Pass Water Agency (SGPWA) is an agency of the State and their job is to disperse state water. As a result the State Water Project is 40 some years old and we have been paying on it and only within the last ten years has the water come to our area; it ends in Cherry Valley. All of the pipelines that were built were built and funded by the SGPWA and we have been part of that and have paid the fees just like every other agency that is within their district. Now what we are proposing is that Banning pay the fees for the extension of the 880 feet of pipeline. They have indicated that they will pay the difference between 24 feet and 36 feet. But the question he is posing to the Water Department is the City of Banning and the residents of Banning have paid on this water project for 40 some years and when the pipeline was built he believes from Mentone to Cherry Valley the only person who paid was the San Gorgonio Water District and we all paid a part of that. The City of Beaumont did not pay anything from that pipeline nor did the Cherry Valley Water District nor did Calimesa. His position is that this has

been a group process and we have contributed our share over the years and now when we are going to build this pipeline the City of Banning is going to build the pipeline. He knows that this pipeline has many advantages for us today and in the future. His position is if the San Gorgonio Water Agency has paid through taxation and if you ever look at your tax bill you will see that it is on there and it is a sizable sum and their job is to provide the mechanics and now we are being asked to pay for the pipeline. The estimate right now would be some place between \$4 and \$5 million dollars. He has been told that we can recover this money through future development but he poses the question to the City Council because he is concerned about the city residents who have paid their tax bills over the past 40 some years. Now it is our turn to get the pipeline and we are expected to pay for it. The solution that he has been given is that when we have future development we can recover this money. When he talks about recovering \$4 to \$5 million dollars that is going to take a lot of houses and the other part of the problem is how long will it take and how far in the future.

George Thacker said that this is definitely a policy decision of the Council just keep in mind what staff is bringing forward right now is the amendment to the agreement and Council has approved it for the design of the pipeline and the SGPWA isn't involved in it. The other issue is yes we will be building this pipeline to help the City of Banning bring the water over to the city of Banning which we definitely need and it will be our pipeline and there will be a wheeling charge if San Gorgonio owns that system. So that is another way we are saving money and again as Councilmember Machisic has said the new future development, especially the big ones, will be participating in refunding of this project. He also mentioned that the Council has also budgeted the \$4 million dollars about 2 years ago for this pipeline.

There was some further Council and staff discussion in regards to this pipeline and the need for new development to find new sources of water. There was some discussion regarding wastewater and the need for the purple pipe to be built.

Councilmember Machisic said maybe he didn't explain this properly but he was thinking along the lines of fairness. We have contributed to this project for many, many years and the pipe was brought into Cherry Valley and the agencies there whether it is Cherry Valley Water Co. or the City of Beaumont or the City of Calimesa never paid one penny to have that pipe put in. So now we are asking for an extension of the state water project to Banning and they are saying you pay for it. He is just putting it on the basis of fairness to the taxpayers of this town.

Mayor Botts opened the item for public comments.

Don Smith said that what Councilmember Machisic says he has to take to heart. For forty years people have been paying this bill to get the water starting at the Delta, it finally went to Lake Silverwood and we kept paying. Ten years ago it finally made it to Mentone and we kept paying and finally 3 to 4 years ago it made it to Cherry Valley and we kept paying. So from the Delta to the drawing ponds in Beaumont/Cherry Valley we paid our share. Now apparently we are also being asked to pay 100% of the share to Banning plus our share of the extra 12 inches because the San Gorgonio Pass Water Agency is going to pay for that and that means that it is going to be paid once again by the City of Banning for that 12 inches too to serve Corazon who is not being asked to pay anything apparently because the San Gorgonio Pass Water Agency is paying for the extra

12 inches. Obviously we are still in the design phase and moving forward is important and he is not saying that you should vote no because he would probably vote yes to continue with the design of the right size project. But he thinks you need to direct staff to go back to the Pass Water Agency to remind them that there is only this one section that they are not paying for because they are even paying for the 12 inches to get to Corazon. And it is unfair to the city of Banning. Maybe it is our only option and we have to do it but we are not at that stage right now and we can still be negotiating with them about them stepping up to fulfill their responsibility that was given to them when the different districts for the State Water Project was set up 40 years ago.

Mayor Botts said he thinks it would help if that could be answer tonight but if you can't bring us back an answer. We are among dozens and dozens of cities that have been paying for 40 years and it is an argument that every community has. The issue about the pipeline itself whether it was a basic feeder that came that everybody shared in and now we are asking for something different so we have to pay for it. If you can answer that tonight fine, but if not, we need to have a good explanation as Councilmember Machisic said nobody paid before but all of a sudden we have to and he doesn't know that we have heard that Corazon is going to be paid for by San Gorgonio Pass Water Agency.

Mr. Thacker said that when they came along with the California Aqueduct they had all these State water contractors come together to pay for their share of building that line down here and all property owners have participated in that and paid our share like Councilmember Machisic said to come to Cherry Valley. The problem you have now is the SGPWA needs to build another East Extension Branch #2 so they are looking to pay for that which is about \$70 million dollars. So as Councilmember Hanna has said when Pardee has been chucking in this and we have been chucking in this that is where they would like to take their money but again all property owners have participated and we as the City of Banning have a number of citizens who have been paying in this to build that line. And so from Cherry Valley over to Highland Springs road the City of Banning needs a 24" size pipeline and the SGPWA said they would like to expand it up to a 36" because they would like to take water over to Corazon. What we are saying is that the City of Banning is only going to pay to the city of Banning. If they take it further, it is up to Corazon or SGPWA to pay for that line. And they are paying for the additional 12" and they have not totally said they have the money to do that yet. The thing is that we would like to get it designed, get some actual contract bids on it so we know what our share is and what their share is and are they going to participate or not.

Mayor Botts asked if it was fair in the history of this that the intent would be to recoup this money if there is no other pay to pay for it from the developers and in this case it would be Pardee.

Mr. Thacker said there are Pardee, Lennar, Loma Linda and Black Bench. It is for the large projects and right now they are using the line up to Cherry Valley because we have an understanding with Beaumont/Cherry Valley to percolate water into their spreading grounds and we put 1700 acre feet into the ground this pass couple of years and hope to continue to do that. The City of Banning is actually getting the benefit right now but again we need our own pipeline and our own spreading grounds.

Mayor Botts said what you just said is that we are buying State water, we are paying for it, it is going into their spreading grounds and we get the credit for it. Mr. Thacker said that is the wheeling costs we talked about.

Mayor Pro Tem Hanna said it would be good to have another SGPWA presentation but if the voters in 1960 or whatever looked at the plan the plan was never to bring it to the city of Banning. We all paid to bring it to where it is at right now. The water that these developers may use may not be State Water Project water. It may be water from San Bernardino or from other sources but because that pipe will exist it will be possible to transport it or make equivalent deals for them to have water to do the development we all want.

Councilmember Robinson said that we do have a San Gorgonio Pass Water Agency two by two group that can meet with SGPWA so we can better understand and also quantify the amount of water that we actually have underneath Banning as he understands is almost impossible to do and nobody really has a handle on how much water we do have under Banning and is that correct.

Mr. Thacker said that a report was done by Dennis Williams in 2003 and in that report he looked at all the basins and looked at the safe yield and so we have in that report that he has said in what we call the Banning West and the Banning East basins 1.2 million acre feet of water in the ground. Those are deep basins. The Beaumont basin has something like 2.4 million. So the problem is the deeper you go the more extensive it is and plus you always want to be able to meet your demands in the future. If you look at that that water will run out in 100 years so we have to look at some ways to keep replenishing that supply and that we don't over pump it. Future development needs that State Project Water that Councilmember Hanna has said and the City is going to have to be active in purchasing other than Title 22 which is State Project Water.

Motion Hanna/Robinson to approve Consent Item No. 8, to approve amending the existing consultant Services Agreement for “Design the Transmission Pipeline to Deliver State Water Project Water to Banning” with Metcalf & Eddy, Inc. to include potholing of the underground utilities along the alignment, addition of a magnetic meter with a precast vault, additional surveying for a 20’ offset from the existing State Reach 3 Pipeline temporary connection, and the downsizing from 54” to 36” diameter pipeline for San Gorgonio Pass Water Agency in the amount of “not to exceed” \$60,000. Motion carried with Councilmember Machisic voting no.

9. Auditor's Report for Fiscal Year 2007-2008.

Councilmember Robinson said the auditor reviewed our financial status and how we do business and came up with some deficiencies. These deficiencies must be corrected for us to be accountable and as we found out when we were in Washington D.C. they will be looking at us as far as accountability and transparency. He doesn't see anything in here that indicates that we have a response to cure these deficiencies that the auditor has found so he is recommending that we table this until we can have Dr. John, the City Treasurer and himself meet with Bonnie to find out what the deficiencies are and how we propose to remedy those for 2008-2009 and fiscal year budgets going forward.

Motion Hanna/Robinson to table this item to the next Council meeting. Mayor Botts opened the item for public comments. There were none. **Motion carried, all in favor.**

10. Approval of Accounts Payable and Payroll Warrants for Month of February 2009.

Councilmember Robinson said you may remember the last time we had four months of accounts payable and warrants come before the Council for approval and he voted against approving those because the stack was rather voluminous and there is no way he could feel comfortable when it says miscellaneous services. He said that he, the Mayor, City Manager, Finance Director and City Treasurer met and went over his concerns which were voluminous themselves that we need to have answers to those and he is in the same boat here with approval of this accounts payable and warrants. We have issues in there that are not clarified and obviously he cannot get answers tonight because the Finance Director is not here but he still has the issues from the last four months plus the issues of February to get answers to before he can say he is going to approve anything of these taxpayers money to pay all these bills and continue that process when the auditor said you shouldn't do that process. You shouldn't go back four months and that is one of the things he has issues with in this audit. So he needs to have all those things answered before he could possibly say he is going to approve any of the taxpayers money to go for things he doesn't have a clue what it is and as he found out in that meeting there are a lot of people that don't have a clue what it is. He is asking to table this item also.

Mayor Pro Tem Hanna said she doesn't see how delaying it is going to solve the problem. These payments have already been made. We need to get ahead of the game and meet with staff in advance of the Council meeting so that these things can get resolved in advance.

Motion Hanna/Franklin that the City Council review and ratify the following reports per the California Government Code.

Mayor Botts said his questions would be why do we even vote on it? We are accepting at face value what is there and there are a lot of questions. If it is not important, why should we vote on it? He said he certainly has questions also.

Councilmember Franklin said we need to talk about the process we use if possible because these have already been paid, deal with that but really look to the process and come up maybe with a different process that let's us see what we are doing in advance instead of after the fact.

Mayor Botts opened the item for public comments. There were none.

Motion carried, with Councilmember Robinson and Mayor Botts voting no.

PUBLIC HEARINGS

1. Adoption of Ordinance No. 1406 To Extend Urgency Ordinance No. 1402 for an Additional 10 months and 15 days for Interim Sign Regulations for the Development and Placement of Freeway-Oriented Freestanding Signage in the Downtown Commercial (DC), Highway Serving Commercial (HSC) and General Commercial (GC) Zones Located

Along the Interstate (I-10) Freeway in the city of Banning.
(Staff Report – Brian Nakamura, City Manager)

City Manager gave the staff report as contained in the agenda packet.

Councilmember Robinson said that he owns businesses along the Interstate 10 Freeway and cannot participate in this conversation or any votes relative to this. Councilmember Robinson left the Council Chambers at this time.

Mayor Botts opened the public hearing at this time for questions.

Bill Dickson, 5700 W. Wilson said as you know we spent a lot of time on this while he was on the Planning Commission and he would guess that you can always look back in hindsight and he thinks a lot of it came up with the change in the ordinance recently for the Holiday Inn Express. After sitting down and sitting through that meeting and really looking at everything in its entirety he thinks if start going back at looking at what we were trying to do with that other ordinance he thinks there would be lawsuit after lawsuit after lawsuit with a lot of these large corporations and he is not too sure that maybe revisiting and coming up with a comprehensive sign ordinance may not be to far out of the question.

Mayor Botts closed the public hearing seeing no one else come forward.

Mayor Botts asked the City Clerk to read the title of Ordinance No. 1406. City Clerk read: Ordinance No. 1406, An Ordinance of the City Council of the city of Banning, California, Extending Urgency Ordinance No. 1402 for an Additional 10 Months and 15 Days and Extending the Interim Development Sign Regulations for the Placement of Freestanding Freeway Oriented Signs.

Motion Machisic/Franklin to waive further reading of Ordinance No. 1406. Motion carried with Councilmember Robinson abstaining.

Motion Machisic/Franklin that Ordinance No. 1406 be adopted. Motion carried with Councilmember Robinson abstaining.

REPORTS OF OFFICERS

1. City Council Donation and Sponsorship Policy for Community Events and Programs
(Staff Report - Brian Nakamura, City Manager)

City Manager gave the staff report as contained in the agenda packet.

There was some Council and staff discussion in regards to the public noticing, requests already granted and the remaining availability of \$5,000.

Mayor Botts opened the item for public comments. There were none.

Mayor Botts said that he had a suggestion that in regards to No. 1, where it says, "...eligibility requirements for donations..." He was suggesting that the word "potential" be added so that it reads, "...eligibility requirements for **potential** donations..." **There was Council consensus to add the word "potential".** Staff said that they will make that change.

Motion Franklin/Machisic that the City Council authorize the City Manager to recommend donation and sponsorship requests for community events and programs by individuals, groups, and/or organizations to the City Council for approval based upon the following criteria as listed in the staff report. Motion carried, all in favor.

B. Amending the Reimbursement Policy for the Expenses of Elected and Appointed Official City Manager gave the staff report as contained in the agenda packet.

Councilmember Franklin said she thinks that one thing was left out because she knows they talked about people who may be appointed to State or Federal organizations or committees. There is nothing in here to cover that cost because that is going to be clearly above and beyond any other travel that may be done on a City basis and thinks we should allow for people who have the opportunity to serve on a State or Federal level to be able to travel to the meetings.

There was Council discussion on that issue and Councilmember Machisic suggested that it could be covered by the last line where it states, "...needs to be approved in advance by the Council."

Mayor Botts said that there seems to be consensus on those kinds of things that you ask the Council for approval.

Mayor Pro Tem Hanna said the cap that is being proposed which wasn't mentioned is \$2,000 for all Councilmembers and \$3,000 for the Mayor and CRA Chairman. She thinks that \$2,000 would be adequate to include going to Sacramento for meetings. She said that she is also on a State committee.

Mayor Botts said one of the issues that was raised in a staff meeting was that the policy for employees in regards to travel any where they must use the cheapest mode of transportation and some of the Council was suggesting that should also apply to the Council that the policy be the same.

There was Council discussion in regards to that and the feasibility. **Mayor Botts said there was Council consensus to add that to the policy.**

Mayor Botts opened the item for public comments. There were none. Mayor Botts asked for a motion to approve this item with the one change.

Motion Robinson/Machisic that the City Council approve Resolution No. 2009-24, Amending the policy entitled "Reimbursement Policy for Elected and Appointed Officials" with additions brought forth in regards to efficient means of travel. Motion carried, all in favor.

CLOSED SESSION

Executive Director said the Community Redevelopment Agency would reconvene to discuss closed session items pursuant to the provisions of Government Code Section 54956.8 to confer with its real property negotiator Brian Nakamura in regards to: A) 42 W. Ramsey Street, B) APN #540-166-001 (245 W. Ramsey), and C) Oddfellows Building. He would like to add two items in regards to real property negotiations and came to the attention of the Agency after posting of the agenda and need to be resolved prior to the next meeting in regards to the Cultural Alliance facility and Diamond Hills Auto Center.

Motion Robinson/Hanna to add these two items to the Agency closed session items. Motion carried, all in favor.

City Manager said that the City Council would meet in closed session pursuant to Government Code Section 54957.6 Conference with Labor Negotiators Employee organization: IBEW - Utility Unit and IBEW General Unit, CBAM and BPOA. Agency Designated Representatives: Brian Nakamura, David Aleshire, Bonnie Johnson and Hoyl Belt. The City Council would also meet in closed session pursuant to Government Code Section 54957 with regard to City Manager evaluation.

Meeting went into closed session at 8:11 p.m. and returned to regular session at 10:05 p.m. with no reportable action taken.

ADJOURNMENT

By common consent the meeting adjourned at 10:05 p.m.

Marie A. Calderon, City Clerk

THE ACTION MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE CITY COUNCIL. A COPY OF THE MEETING IS AVAILABLE IN DVD FORMAT AND CAN BE REQUESTED IN WRITING TO THE CITY CLERK'S OFFICE.

**CITY COUNCIL AGENDA
RESOLUTION**

DATE: April 14, 2009

TO: Honorable Mayor and City Council

FROM: Kahono Oei, City Engineer



SUBJECT: Resolution No. 2009-27, "Declaring the Intention to Levy and Collect Assessments, Approving the Engineer's Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1"

RECOMMENDATION: The City Council adopt Resolution No. 2009-27, declaring the intention to levy and collect assessments within Landscape Maintenance District No. 1 (LMD No. 1) during the Fiscal Year 2009/10, pursuant to the "Landscaping and Lighting Act of 1972"; approving the Engineer's Report; and giving notice of the public hearing for renewal of said maintenance District.

JUSTIFICATION: It is essential to assess the property owners located within LMD No. 1 to provide for the funding required to maintain landscape areas located within the public right-of-way directly benefiting said property owners.

BACKGROUND: The City Council authorized the formation of LMD No. 1 with the adoption of Resolution No. 1990-59 on August 14, 1990. An additional five tracts and three tentative tracts were annexed (Annexation No. 1) into LMD No. 1 when the City Council approved Resolution No. 2005-36 on May 10, 2005. A map displaying the District is attached herewith as Exhibit "A." Additionally, the City Council approved Resolution No. 2009-02, initiating proceedings for the fiscal year update of the District on January 13, 2009.

The proposed resolution basically accomplishes three goals for the fiscal year update and renewal of LMD No. 1. First, it provides the resolution of intention to levy and collect assessments; second, it permits the City Council to review and approve the Engineer's Report; and third, it sets the date and time for a public hearing. Subsequent to the approval of Resolution No. 2009-27, the City Council will be requested to confirm the assessments for Fiscal Year 2009/10.

The Engineer's Report, reflecting the detail of proposed assessments, was forwarded to the City Council under a separate cover. Upon approval of this resolution, the public hearing will be held at the regularly scheduled City Council meeting on May 26, 2009, at 6:30 p.m., as shown in attached Exhibit "B." A detailed list of tracts in LMD No. 1 and their respective assessments is shown as attached Exhibit "C."

The Engineer's Report reflects an increase of 3.53% on the assessments based upon the average Consumer Price Index (CPI) over the last fiscal year for the Los Angeles-Riverside-Orange County area, as reported by the U.S. Department of Labor.

FISCAL DATA: Based on the proposed assessments, the estimated revenues for Fiscal Year 2009/10 for Landscape Maintenance District No. 1 will be about \$129,082.93. If approved, the annual assessment for a single-family dwelling would now range from \$93.49 to \$189.47. The budget for LMD No. 1, including utilities, contractor services, adding two more tracts, repairs, etc. for Fiscal Year 2009/10, is approximately \$134,728.00. This estimated shortfall will be funded by existing unallocated fund balance in the LMD Fund. The one-year developer landscape maintenance period for Tract No. 32109 (Sunset Ridge) will expire within the next few months. Phase 1 of Tract No. 30906 (Fiesta Collection, which has a large retention basin) will likely be added to the LMD in FY 2009/10, once the punch list has been completed. Therefore, once the actual costs are known, the estimated shortfall may be less. It should be noted that significant savings occur due to the fact that the entire LMD No. 1 is managed in house by the Public Works Department Staff.

RECOMMENDED BY:



Duane Burk
Director of Public Works

REVIEWED BY:



Bonnie Johnson
Director of Finance

APPROVED BY:



Brian Nakamura
City Manager

RESOLUTION NO. 2009-27

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,
CALIFORNIA, DECLARING THE INTENTION TO LEVY AND COLLECT
ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE DISTRICT NO. 1,
DURING THE FISCAL YEAR 2009/2010, PURSUANT TO THE
LANDSCAPING AND LIGHTING ACT OF 1972 FOR THE MAINTENANCE
AND SERVICING OF LANDSCAPING, APPROVING THE ENGINEER'S
REPORT, AND SETTING THE DATE FOR THE PUBLIC HEARING FOR
THE LEVY OF SAID ASSESSMENT**

WHEREAS, at its regularly scheduled meeting on August 14, 1990, the City Council adopted Resolution No. 1990-59, authorizing the formation of Landscape Maintenance District No. 1 (LMD No. 1); and

WHEREAS, at its regularly scheduled meeting on May 10, 2005, the City Council of the City of Banning adopted Resolution No. 2005-36, ordering the annexation of an additional five tracts and three tentative tract maps to the City's LMD No. 1; and

WHEREAS, at its regularly scheduled meeting on January 13, 2009, the City Council of the City of Banning adopted Resolution No. 2009-02, initiating proceedings for the fiscal year renewal of Landscape Maintenance District No. 1 pursuant to the "Landscaping and Lighting Act of 1972," Part 2 (commencing with Sec. 22500) of Division 15 of the Streets and Highways code, for the maintenance and servicing of landscape medians, parkways, perimeter strips and slopes adjacent to sidewalks, flood detention or retention basins, and the irrigation of the above facilities; and

WHEREAS, by said Resolution the City Council ordered the City Engineer to prepare and file a report with the City Clerk in accordance with Article 4 (commencing with Sec. 22565) of Chapter 1 of Part 2 of Division 15 of the Streets and Highways code; and

WHEREAS, the City Engineer has filed such report with the City Clerk, and such report has been presented to and considered by the City Council; and

WHEREAS, it is essential that the City Council adopt Resolution No. 2009-27, so that the City may assess and collect assessments from the property owners located within LMD No. 1; and

WHEREAS, the City Council hereby finds that the funding for LMD No. 1 is available through a special assessment of property owners located within the District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning as follows:

Section 1. That the City Council hereby declares its intention to levy and collect assessments within Landscape Maintenance District No. 1 for the Fiscal Year 2009/10 pursuant to the "Landscaping and Lighting Act of 1972." The area to be assessed is located in the City of Banning, Riverside County. The boundaries of Landscape Maintenance District No. 1 are described in Exhibit "A," and are on file in the Office of the City Clerk.

Section 2. That the purpose of Landscape Maintenance District No. 1 is for the maintenance and servicing of landscape medians and parkways, perimeter strips and backup walls, landscaped hillsides with high visibility, side slopes adjacent to sidewalks, flood detention or retention basins, and the irrigation of the above facilities.

Section 3. That the Engineer's Report, which is on file with the City Clerk and considered by the City Council at the meeting at which this Resolution has been adopted, is hereby approved. All interested persons are referred to that report for a full and detailed description of the work, the boundaries of the proposed assessment district, and the proposed assessments upon assessable lots and parcels of land within Landscape Maintenance District No. 1.

Section 4. That the City Clerk shall give notice of the time and place of said hearing by advertising a copy of the resolution once in the Record Gazette local newspaper and provide a posted notice not less than ten (10) days before the date of the hearing.

Section 5. That on Tuesday, May 26, 2009, at the hour of 6:30 p.m., during the course of its regularly scheduled meeting, the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held at Banning City Hall, 99 E. Ramsey Street, Banning, California.

PASSED, ADOPTED AND APPROVED this 14th day of April, 2009.

Robert E. Botts, Mayor

ATTEST

Marie A. Calderon, City Clerk

**APPROVED AS TO FORM
AND LEGAL CONTENT**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2009-27 was adopted by the City Council of the City of Banning at the Regular Meeting thereof held on the 14th day of April, 2009.

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, CA

EXHIBIT “A”

**LANDSCAPE MAINTENANCE DISTRICT NO. 1
FOR
FISCAL YEAR 2009/10**

Map of Landscape Maintenance District No. 1

January 2009

Legend

Existing Tracts

1. 21882 Snow Creek I
2. 22810 Dev. Corp
3. 22811 Dev. Corp
4. 22913 Arce Bros.
5. 23446 Highland Estates
6. 23598 Snow Creek II
7. 28252 Fair Oaks
8. 29721 The Pines
9. 30186 Wilson Homes
10. 30222 Wilson Homes
11. 30793 Fiesta Collection
12. 30906 Evergreen Estates
13. 31833 Fair Oaks
14. 31834 Fair Oaks
15. 31835 Fair Oaks
16. 32109 Sunset Ridge
17. 30774 Stallion, LLC
18. 30642 Raul Madrid
19. 32429 Raul Madrid

Tentative Tract Maps

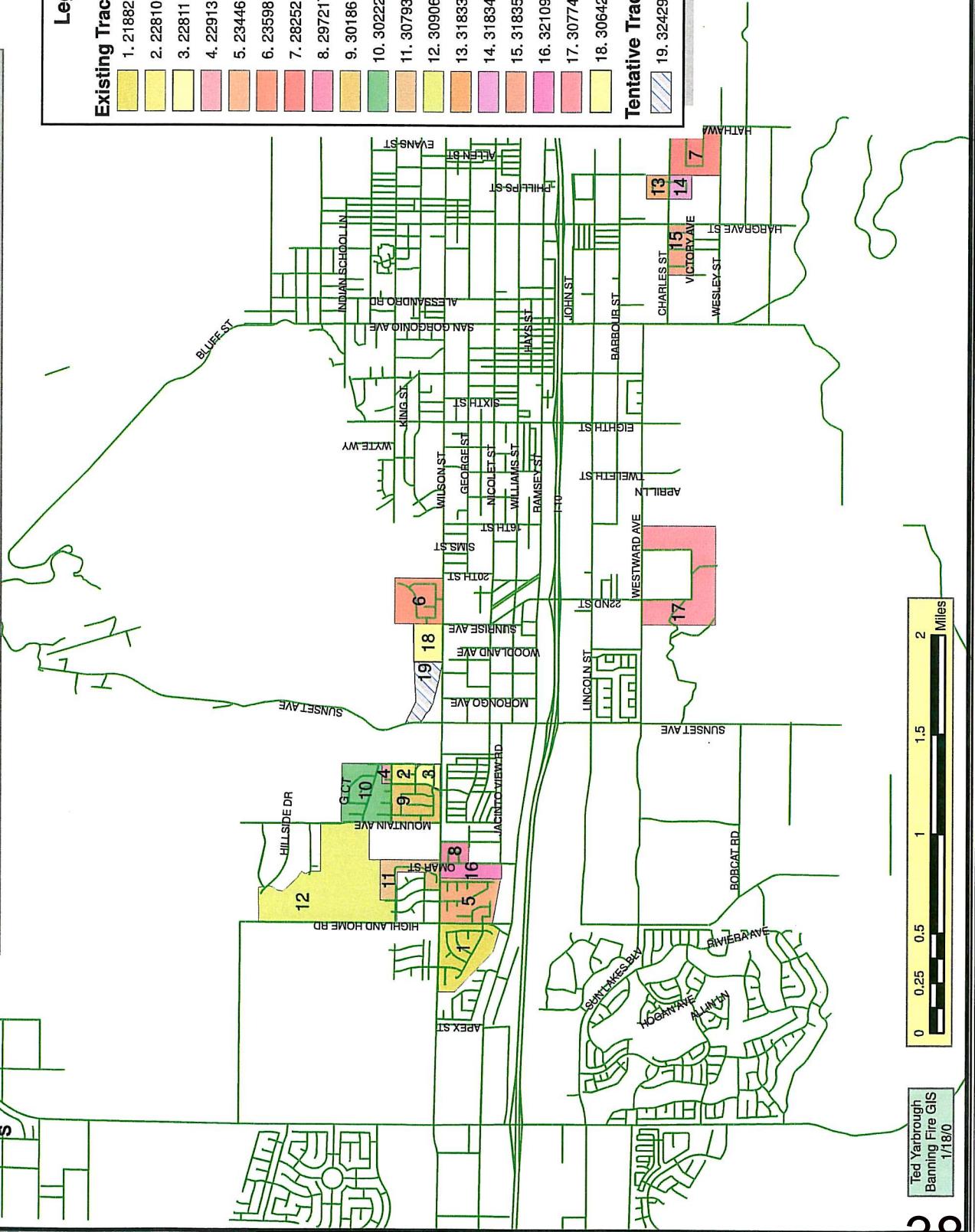


EXHIBIT “B”

TENTATIVE SCHEDULE UPDATING LANDSCAPE MAINTENANCE DISTRICT NO. 1

<u>Item</u>	<u>Council Meeting</u>
Resolution Initiating Update	January 13, 2009
Resolution of Intention (Approve Engineer's Report)	April 14, 2009
Public Hearing and Resolution Confirming Assessment	May 26, 2009

EXHIBIT "C"

LANDSCAPE MAINTENANCE DISTRICT NO. 1 TRACTS AND ASSESSMENTS FISCAL YEAR 2009/10

Tract No.	No. of AU	Zone	Proposed Cost/AU (FY 2009/10)
22810	43	A	\$102.94
22811	39	A	\$102.94
22913	9	A	\$102.94
23446	138	B	\$107.10
29721	21	B	\$107.10
30186	107	B	\$107.10
30222	121	B	\$107.10
32109	38	B	\$107.10
21882	134	B	\$107.10
23598	97	C	\$93.49
30642	(53)	C	\$93.49
32429	(44)	C	\$93.49
30793	43	D	\$189.47
28252	70	D	\$189.47
31833	17	D	\$189.47
31834	18	D	\$189.47
31835	33	D	\$189.47
30906*	87	D	\$189.47
30774	(213)	D	\$189.47
Total	1015		\$129,082.93

(#) = Tracts not yet completed or that will not be accepted into the Landscape Maintenance District during the next Fiscal Year

*Tract No. 30906 has a total of 303 Assessment Units; therefore, a total of 216 remain.

**CITY COUNCIL AGENDA
RESOLUTIONS**

Date: April 1, 2009

TO: City Council

FROM: Hoyl Belt, Human Resources Director

SUBJECT: Recommendation to Adopt a Resolution Authorizing the Destruction of City Records as Provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning.

RECOMMENDATION: The City Council adopt Resolution No. 2009-28, "Authorizing The Destruction of City Records As Provided By Section 34090 of The California Government Code and Resolution No. 2003-26 of the City of Banning."

JUSTIFICATION: The City Clerk and the City Attorney have certified that the records listed in Attachment A to Resolution 2009-28, are no longer required to be kept by the City.

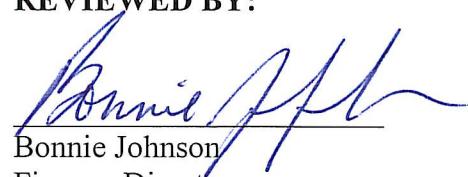
BACKGROUND: On April 8, 2003, the City Council adopted Resolution No. 2003-26, setting forth the schedule for destruction of City Records. The records listed in Attachment A of Resolution No. 2009-28 have all reached the end of their retention period.

FISCAL DATA: Staff has obtained a quote from Shred-it for the destruction of these records. Funds to cover the cost of the destruction of these records are available in the current budget for account 001-4500-412.33-11.

RECOMMENDED BY:


Hoyl Belt
Human Resources Director

REVIEWED BY:


Bonnie Johnson
Finance Director

APPROVED BY:


Brian Nakamura
City Manager

RESOLUTION NO. 2009-28

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,
CALIFORNIA, AUTHORIZING THE DESTRUCTION OF CITY RECORDS AS
PROVIDED BY SECTION 34090 OF THE CALIFORNIA GOVERNMENT CODE
AND RESOLUTION NO. 2003-26 OF THE CITY OF BANNING.**

WHEREAS, the City Council has adopted Resolution No. 2003-26 setting forth the schedule for the destruction of records; and

WHEREAS, Section 34090 of the California Government Code provides a procedure whereby any City record that has served its purpose and is no longer required may be destroyed;

WHEREAS, the City Clerk has endorsed on Attachment A to this resolution her determination that the Records set forth in Attachment A are not required to be kept by the City;

WHEREAS, the City Attorney has endorsed on Attachment A to this resolution his determination that the Records set forth on Attachment A are not required to be kept by the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning that the Records described in Attachment A to this Resolution may be destroyed.

PASSED, APPROVED, AND ADOPTED this 14th day of April, 2009.

Robert E. Botts, Mayor

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

ATTEST:

Marie A. Calderon, City Clerk

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2009-28, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 14th day of April, 2009, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

REQUEST FOR DESTRUCTION OF RECORDS

Date: April 1, 2009
Department: Human Resources/Risk Management

We are requesting destruction of the attached records due to:

A copy has been made in accordance with Administrative Policy #A-28.
 The retention period on the following records has elapsed.

Approvals:

Department Head

John B. Ut Date 4/1/09

City Clerk

Marie A. Caldwell Date 4-9-09

City Attorney

_____ Date _____

Destruction Date:	Destroyed By:	Remarks:

Return signed original to City Clerk when completed.

ATTACHMENT “A”

TO

Resolution No. 2009-28

DEPARTMENT Human Resources	BUILDING CRA							
INVENTORY TAKEN BY: <i>DK-H</i>	PROGRAM MANAGER: <i>4-21-05</i>							
	(Signature/Date)							
RECORDS INVENTORY								
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG COPY	(8) VOLUME CUBIC FEET	(9) REMARKS
Personnel Files - Non-Sa	Alkire, Joann	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Barnes, Adam	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Burt, Vickie	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Davis, Jennifer	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Fonseca, Magdalena	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Garcia, Craig	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Grisham, Bert	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Hasert, Tammy	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Johns, Delon	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Kelsey, Jonathan	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Safety	Lopez, Eunice	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Mannion, Reda	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Marino, Joseph	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Mitchell, Lacey	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Nathan, Audrey	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Oakley, Jeffrey	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Paine, Robert	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Parra, Anthony	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Pickett, Azia	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Rodriguez, Carlos	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Rodriguez, Robert	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Schipper, Philip	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Sidhu, Gagandeep	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Spalding, Barbara	CRA	P	thru 2004	-	X		Confidential
Personnel Files - Non-Sa	Stovner, Judy	CRA	P	thru 2004	-	X		Confidential

Personnel Files - Non-Sa	Swift, April	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Uribe, Robert	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Varela, Robert	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Wetle, Arthur	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Wilson, John	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Harpster, Sally Jo	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Smith, Betty	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Lapham, Via	CRA	P	thru 2004	-	x		Confidential
Personnel Files - Non-Sa	Wahington, John	CRA	P	thru 2004	-	x		Confidential

Carrasco, Carmi
 Foster, Scott
 Loper, David
~~Conrad, Arthur~~
~~Wilmeth, Alberta~~
~~Brett, Fletcher, Robert~~
 Christiansen, Merle

RECORDS INVENTORY WORKSHEET

PAGE 1 OF 1

DEPARTMENT

Human Resources

INVENTORY TAKEN BY:

D.L.Hay
(Signature/Date)

BUILDING CRA

PROGRAM MANAGER

8/25/06

D.L.Hay

8/25/06

D.L.Hay

RECORDS INVENTORY								
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG COPY	(8) VOLUME CUBIC FEET	(9) REMARKS
Personnel Files	Barnes, Mildred H.	CRA	P	thru 2005	1	X		1 Confidential
Non-Safety	Belicki, Brent R.	CRA	P	thru 2005	1	X		
	Boone, Cary	CRA	P	thru 2005	1	X		
	Bowman, Donnette	CRA	P	thru 2005	1	X		
<i>Removed File</i>	Bear, Rashad	CRA	P	thru 2005	1	X		
	Darnell, Brian A.	CRA	P	thru 2005	1	X		
	Deichsel, Rosalie	CRA	P	thru 2005	1	X		
	Derda, Roger	CRA	P	thru 2005	1	X		
	Figueroa, Augustin	CRA	P	thru 2005	1	X		
	Forkner, Robert	CRA	P	thru 2005	1	X		
	Garcia, Colleen	CRA	P	thru 2005	1	X		
	Garcia, Richard	CRA	P	thru 2005	1	X		
	Houston Sr., Arthur C.	CRA	P	thru 2005	1	X		
	Hymans, Jerry E.	CRA	P	thru 2005	1	X		
	Jensen, Charles	CRA	P	thru 2005	1	X		
	Johnson, Chandra	CRA	P	thru 2005	1	X		
	Kama, Tennille	CRA	P	thru 2005	1	X		
	Lewis, Timothy	CRA	P	thru 2005	1	X		
	Mayorga, Darla	CRA	P	thru 2005	1	X		
	Patrick, Dixie	CRA	P	thru 2005	1	X		
	Rodriguez, Douglas	CRA	P	thru 2005	1	X		
	Sniderman, Debra L.	CRA	P	thru 2005	1	X		
	Stewart, Darlene	CRA	P	thru 2005	1	X		
	Vasquez, Jennie	CRA	P	thru 2005	1	X		
	Wagner, Jamie	CRA	P	thru 2005	1	X		
	Yarbrough, Andrew	CRA	P	thru 2005	1	X		
	Yedwalsky, Martin	CRA	P	thru 2005	1	X		

RECORDS INVENTORY WORKSHEET

PAGE 1 OF 1

DEPARTMENT

Human Resources

INVENTORY TAKEN BY:

BUILDING
CRA

PROGRAM MANAGER:

(Signature/Date)

8-21-05

(Signature/Date)

DEPARTMENT

Human Resources

INVENTORY TAKEN BY:

BUILDING Airport

1676

(Signature/Date)

(Signature/Date)

RECORDS INVENTORY

DEPARTMENT

Human Resources

INVENTORY TAKEN BY:

BUILDING
Airport

PROGRAM MANAGER:

104

RECORDS INVENTORY

RECORDS INVENTORY									(9) REMARKS
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG COPY	(8) VOLUME CUBIC FEET		
Public Safety Backgrounds	Campo, Ignacio	Airport	P	2005	I	X		1	Confidential
Non-Hired	Fox, Wesley	Airport	P	2005	I	X			Confidential
Public Safety Backgrounds	Fraser, Bruce	Airport	P	2005	I	X			Confidential
Non-Hired	Hurley, Trisha	Airport	P	2005	I	X			Confidential
Public Safety Backgrounds	Ley, Joseph	Airport	P	2005	I	X			Confidential
Non-Hired	Kumanski, Brandon	Airport	P	2005	I	X			Confidential
Public Safety Backgrounds	Parham, Anthony	Airport	P	2005	I	X			Confidential
Non-Hired	Roberts, Loni	Airport	P	2005	I	X			Confidential
Public Safety Backgrounds	Robinson, Eric	Airport	P	2005	I	X			Confidential
Non-Hired	Rodrigues, Melissa	Airport	P	2005	I	X			Confidential

DEPARTMENT

Human Resources

INVENTORY TAKEN BY:

BUILDING Airport

PROGRAM MANAGEMENT

(Signature/Date)

(Signature/Date):

RECORDS INVENTORY WORKSHEET

PAGE 1 OF 1309

DEPARTMENT

label 10

INVENTORY TAKEN BY

BUILDING
Label 11

PROGRAM MANAGER:

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RECORDS INVENTORY WORKSHEET

PAGE 4 OF 1309

DEPARTMENT

Label 10

BUILDING Label 11

INVENTORY TAKEN BY:

INVENTORY TAKEN BY:

INVENTORY TAKEN BY:
ALVIN SWIFT (Signature/Date)
PROG

(Signature/Date)

(Signature/Date)

RECORDS INVENTORY								
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT COPY	(8) VOLUME CUBIC FEET	(9) REMARKS
Recruitment	Recruit Bus Drivers	Off	D	2004	1	X	1	
Recruitment	Master Services	Off	D	2004	1	X	1	
Recruitment	Master Leader	Off	D	2004	1	X	1	

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RECORDS INVENTORY WORKSHEET

PAGE 3 OF 1309

Label 10

BUILDING . . .

INVENTORY TAKEN BY:

111

Label 10

DEPARTMENT	
Label 10	
INVENTORY TAKEN BY:	CATLIN SWIFT
(Signature/Date)	

(Signature)

RECORDS INVENTORY

(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG	(8) VOLUME COPY	(9) CUBIC FEET	REMARKS
Recruitment Police Chief	✓ CRA P 2004-3	1	X						

57

RECORDS INVENTORY WORKSHEET

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Label 10

INVENTORY TAKEN BY:

BUILDING
Label 11

11

(Signature/Date)

(Signature/Date)

RECORDS INVENTORY								(9) REMARKS
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG COPY	(8) VOLUME CUBIC FEET	
Recruiting Files	Meter Reader	CRA	P	2004	I	X		1
Recruiting Files	Office Specialist	CRA	P	2004	I	X		1
Recruiting Files	Police Commander	CRA	P	2004	I	X		1
Recruiting Files	Police Corporal	CRA	P	2004	I	X		1
Recruiting Files	Police Sergeant/ Promotional	CRA	P	2004	I	X		1
Recruiting Files	Public Benefits Coordinator	CRA	P	2004	I	X		1
Recruiting Files	Recreational Leader	CRA	P	2004	I	X		1
Recruiting Files	Senior Maintenance Worker	CRA	P	2004	I	X		1
Recruiting Files	Water Services Worker	CRA	P	2004	I	X		1
Recruiting Files	Warehouse Services Specialist	CRA	P	2004	I	X		1

RECORDS INVENTORY WORKSHEET

		RECORDS INVENTORY					
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER ORIG	(7) DOCUMENT COPY	(8) VOLUME CUBIC FEET
RECRUITING	Senior Electrical Distribut. Designer Open 7/13/04 Closed un	CRA	P	2004	X		1
RECRUITING	HR Recruiting To Be Scanned	CRA	P	2004	X		
RECRUITING	Auto CAD/GIS Technician 12/09/04 - 01/07/05	CRA	P	2004	X		
RECRUITING	Building Permit Specialist Open 7/13/04 - Closed 7/30/04	CRA	P	2004	X		
RECRUITING	Bus Driver Full Time Open 10/2/2004 - 12/2/2004	CRA	P	2004	X		
RECRUITING	Associate Planner Open 7/13/04 Closed 8/13/04	CRA	P	2004	X		
RECRUITING	Chamber	CRA	P	2004	X		
RECRUITING	Employee	CRA	P	2004	X		
RECRUITING	Assistant Civil Engineer Open 7/13/04 - Closed 8/13/04	CRA	P	2004	X		
RECRUITING	Community Development Director Open 7/13/04 - Closed un	CRA	P	2004	X		
RECRUITING	Bus Driver - Ongoing 2004	CRA	P	2004	X		

RECORDS INVENTORY WORKSHEET

DEPARTMENT

HUMAN RESOURCES

INVENTORY TAKEN BY:

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卷之三

BUILDING

254

PROGRAM MANAGER:

RECORDS INVENTORY								
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER STATUS	(7) DOCUMENT ORIG COPY	(8) VOLUME CUBIC FEET	(9) REMARKS
RECRUITING	Airport Attendant 2004	CRA	P	2005 I	X			1
RECRUITING	Associate Civil Engineer 2005	CRA	P	2005 I	X			
RECRUITING	Building Permit Inspector	CRA	P	2005 I	X			
RECRUITING	Bus Driver until filled	CRA	P	2005 I	X			
RECRUITING	Development Technician	CRA	P	2005 I	X			
RECRUITING	Dial A Ride Driver until filled	CRA	P	2005 I	X			
RECRUITING	Electric Meter Tes Tech 4/19/05	CRA	P	2005 I	X			
RECRUITING	Electric Meter Test Tech.	CRA	P	2005 I	X			
RECRUITING	Electrical Service Planner	CRA	P	2005 I	X			
RECRUITING	Electric Services Worker	CRA	P	2005 I	X			
RECRUITING	Engineering Services Asst. 7/29/05	CRA	P	2005 I	X			

RECORDS INVENTORY WORKSHEET

PAGE 1 OF 1

HUMAN RESOURCES

INVENTORY TAKEN BY:

PROGRAM MANAGER -

BUILDING 22.

INVENTORY TAKEN BY:
Jeffrey Albeck 8-25-06
(Signature/Date)

(Signature/Date)

(Signature/Date)

RECORDS INVENTORY WORKSHEET

PAGE 1 OF 2

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DEPARTMENT HUMAN RESOURCES	BUILDING CRA
INVENTORY TAKEN BY:	PROGRAM MANAGER:

(Signature/Date)

(Signature/Date)

RECORDS INVENTORY							
(1) RECORDS SERIES	(2) DESCRIPTION	(3) FILE LOCATION	(4) MEDIA TYPE	(5) YEARS COVERED	(6) REFER ORIG	(7) DOCUMENT COPY	(8) VOLUME CUBIC FEET
RECRUITING	Water Services Worker Open 5/12/05 - Closed 6/3/05	CRA	P	2005	X		1
RECRUITING	Airport Attendant	CRA	P	2005	X		
RECRUITING	Police Recruit	CRA	P	2005	X		
RECRUITING	Police Officer 2005	CRA	P	2005	X		
RECRUITING	Public Safety Dispatch	CRA	P	2005	X		

**City Council Agenda
Consent Calendar**

DATE: April 14, 2009

TO: Honorable Mayor and City Council

FROM: Hoyl E. Belt, Human Resources Director

SUBJECT: Resolution No. 2009-29 Amending Career Part-Time Benefit Plan

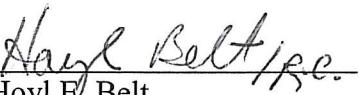
Recommendation: Adopt Resolution No. 2009-29 amending Resolution No. 2005-23 for Career Part-Time Benefit Plan for Associate Professional Engineer from 75% reduction to 25% in benefit package and 30 hours to 10 hours per work week.

Justification: Due to budget reductions in positions and/or hours this fiscal year, the Career Part-Time position of Associate Professional Engineer hours were recently reduced from 30 hours per week to 10 hours per week. This position benefits were adopted through Resolution No. 2005-23 and must be amended to reflect the reductions/changes. The hours in this position are reduced to 10 hours a week with a 25% benefit package.

Background: On March 8, 2005 the City Council adopted Resolution No. 2005-23 which amended the Budget FY 04/05 in adding two career Part-Time classifications of Associate Professional Engineer and Senior Center Supervisor and setting the benefits and hours for these classifications. Career Part-Time positions were defined as “at-will” positions in which incumbents work 60 hours per pay period, including use of accrued leave, and to not receive all of the benefits associated with full-time permanent personnel. Part-time employees may be covered by either CalPERS or PARS for retirement benefits.

Fiscal Data: The above classification change result in budgetary savings for salary and benefits of approximately \$67,907 annually.

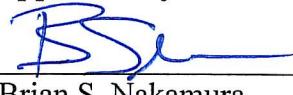
Recommended By:


Hoyl E. Belt
Human Resources Director

Reviewed By:


Bonnie J. Johnson
Finance Director

Approved By:


Brian S. Nakamura
City Manager

RESOLUTION 2009-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING AMENDING A SECTION OF RESOLUTION NO. 2005-23 TO REFLECT A REDUCTION IN BENEFIT PACKAGE OF THE CAREER PART-TIME CLASSIFICATION OF ASSOCIATE PROFESSIONAL ENGINEER

WHEREAS, City Council has previously approved the creation for new employment classifications known as "Career Part-Time" which include a reduced benefit package; and

WHEREAS, it is necessary to amend the approved budget to fund such classification; and

WHEREAS, City procedures require the City council to adopt a resolution when amending the budget;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The Finance Director is authorized to amend the budget to reflect the reduction in the amount of \$67,907 in the benefit package for the Career Part-Time employment classification pursuant of Associate Professional Engineer.

PASSED, APPROVED, AND ADOPTED this 14th day of April, 2009.

Robert E. Botts, Mayor
City of Banning, California

APPROVED AS TO FORM AND
LEGAL CONTENT

David Aleshire, Attorney
Aleshire & Wynder, LLP

ATTEST:

Marie A. Calderon,
City Clerk of the City of Banning

CERTIFICATION:

I, Marie A. Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2009-29 was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 14th day of April, 2009, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: April 7, 2009

TO: City Council

FROM: Marie Calderon, City Clerk

SUBJECT: Recommendation to Adopt a Resolution Authorizing the Destruction of City Records as Provided by Section 34090 of the California Government Code and Resolution No. 2003-26 of the City of Banning.

RECOMMENDATION: The City Council adopt Resolution No. 2009-30, "Authorizing The Destruction of City Records As Provided By Section 34090 of The California Government Code and Resolution No. 2003-26 of the City of Banning."

JUSTIFICATION: The City Clerk and the City Attorney have certified that the records listed in Attachment A to Resolution 2009-30, are no longer required to be kept by the City.

BACKGROUND: On April 8, 2003, the City Council adopted Resolution No. 2003-26, setting forth the schedule for destruction of City Records. The records listed in Attachment A of Resolution No. 2009-30 have all reached the end of their retention period.

FISCAL DATA: Staff has obtained a quote from Shred-it for the destruction of these records. Funds to cover the cost of the destruction of these records are available in the current budget for account 001-4500-412.33-11.

APPROVED BY:

RECOMMENDED BY:



Marie Calderon
City Clerk

REVIEWED BY:



Bonnie Johnson
Finance Director

APPROVED BY:



Brian Nakamura
City Manager

RESOLUTION NO. 2009-30

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANNING,
CALIFORNIA, AUTHORIZING THE DESTRUCTION OF CITY RECORDS AS
PROVIDED BY SECTION 34090 OF THE CALIFORNIA GOVERNMENT CODE
AND RESOLUTION NO. 2003-26 OF THE CITY OF BANNING.**

WHEREAS, the City Council has adopted Resolution No. 2003-26 setting forth the schedule for the destruction of records; and

WHEREAS, Section 34090 of the California Government Code provides a procedure whereby any City record that has served its purpose and is no longer required may be destroyed; and

WHEREAS, the City Clerk has endorsed on Attachment A to this resolution her determination that the Records set forth in Attachment A are not required to be kept by the City; and

WHEREAS, the City Attorney has endorsed on Attachment A to this resolution his determination that the Records set forth on Attachment A are not required to be kept by the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Banning that the Records described in Attachment A to this Resolution may be destroyed.

PASSED, APPROVED, AND ADOPTED this 14th day of April, 2009.

Robert E. Botts, Mayor

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

David J. Aleshire, City Attorney
Aleshire & Wynder, LLP

ATTEST:

Marie A. Calderon, City Clerk

CERTIFICATION:

I, Marie Calderon, City Clerk of the City of Banning, California, do hereby certify that the foregoing Resolution, No. 2009-30, was duly adopted by the City Council of the City of Banning, California, at a regular meeting thereof held on the 14th day of April, 2009, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marie A. Calderon, City Clerk
City of Banning, California

REQUEST FOR DESTRUCTION OF RECORDS

Date: April 7, 2009
Department: City Attorney

We are requesting destruction of the attached records due to:

A copy has been made in accordance with Administrative Policy #A-28.
 The retention period on the following records has elapsed.

Approvals:

Department Head

Mark A. Callahan Date 4-6-09

City Clerk

Mark A. Callahan Date 4-6-09

City Attorney

_____ Date _____

Destruction Date:	Destroyed By:	Remarks:

Return signed original to City Clerk when completed.

ATTACHMENT “A”

TO

Resolution No. 2009-30

**CITY COUNCIL MEETING
CONSENT ITEM**

DATE: April 14, 2009

TO: Honorable Mayor and Members of the City Council

FROM: Kahono Oei, City Engineer



SUBJECT: Approve Final Parcel Map No. 35617

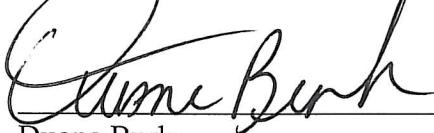
RECOMMENDATION: Approve Final Parcel Map No. 35617 as presented and authorize the City Engineer and the City Clerk to sign said map.

JUSTIFICATION: The Final Parcel Map has been examined and is found to be in substantial conformity and all conditions thereof have been met.

BACKGROUND: Parcel Map No. 35617, attached as Exhibit "A", consists of two lots located at 1320 W.Williams Street. The tentative map was approved on March 13, 2008 and all of the engineering plan check fees have been paid.

FISCAL DATA: Not applicable.

RECOMMENDED BY:



Duane Burk
Director of Public Works

APPROVED BY:



Brian Nakamura
City Manager

Exhibit “A”

IN THE CITY OF BANNIING, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
PARCEL MAP NO. 35617

BEING A SUBDIVISION OF A PORTION OF BLOCK 276 OF AMENDED MAP OF BANNING LAND COMPANY
AS SHOWN BY MAP ON FILE IN BOOK 9, PAGE 44 OF MAP BOOKS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA
SEC. 9, T.3 S., R. 1 E., S.B.M. MARCH 2008

H. S. HACKER, PLS

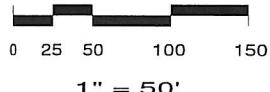
MARCH 2008

LEGEND

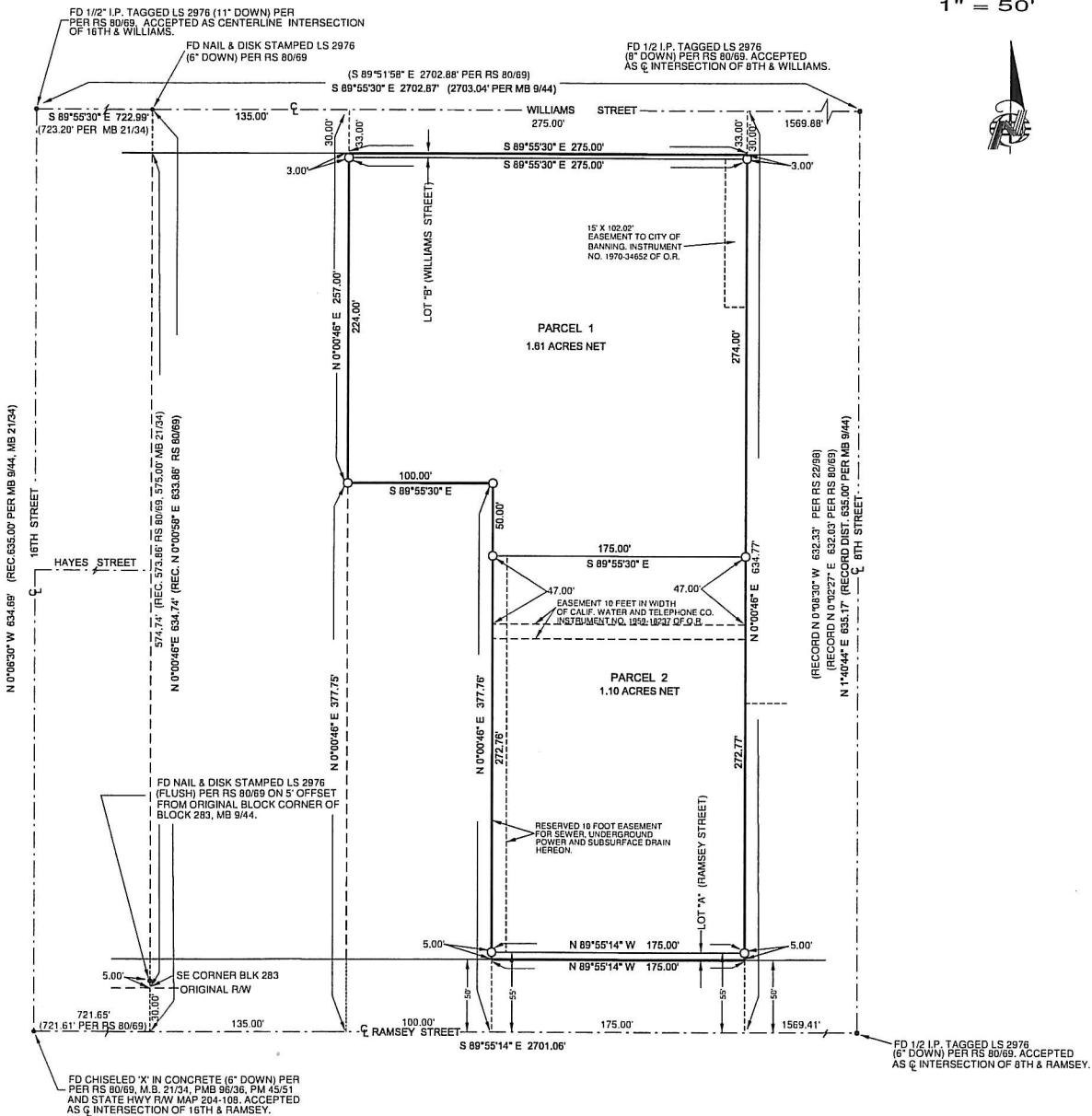
1 ● INDICATES FOUND MONUMENT AS NOTED.
2 ○ INDICATES SET 1" I.P. W/PLASTIC PLUG STAMPED LS5439.
3 () INDICATES RECORD DATA AS NOTED.

BASIS OF BEARINGS

THE BASIS OF BEARINGS USED FOR THIS MAP IS
THE CENTERLINE OF 16TH STREET AS SHOWN ON
MB 21/34. BEING N 00°06'30" W.



1" = 50'



SHEET 2 OF 2

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: April 14, 2009

TO: City Council

FROM: George Thacker, Assistant Public Utilities Director

SUBJECT: Amending the Existing Agreement with Raftelis Financial Consultants, Inc. to Update the Wastewater Rate and Capital Facilities Fee Report

RECOMMENDATION: The City Council approves amending the existing Consultant Services Agreement for "Financial Planning and Wastewater and Recycled Water System Project" with Raftelis Financial Consultants, Inc. to update the Wastewater Rates and Capital Facilities Fees Report using the latest economical conditions and population projections in the amount "Not to Exceed" of \$12,000.00.

JUSTIFICATION: The recent slow down in growth projections and the poor economical situation has made it necessary to reevaluate the projections made for the wastewater rates and connection fees in the report.

BACKGROUND: The City Manager approved a Consultant Services Agreement for "Financial Planning and Wastewater and Recycled Water System Project" with Raftelis Financial Consultants on August 21, 2008, in the amount of \$25,000.00. A Draft Wastewater Rate and Capital Fee Report was submitted and is being reviewed by staff.

It has been noted that the assumptions considered for growth and revenue projections within the report have decreased do to the changed economic conditions. With this in mind, the report needs to be updated with what's taken place now and in the next five years to establish wastewater rates and fees more in line to support the Wastewater Utility Operations and Maintenance programs and provide the revenue for the 1.5 MGD expansion of the WWTP with tertiary treatment to supply recycled water.

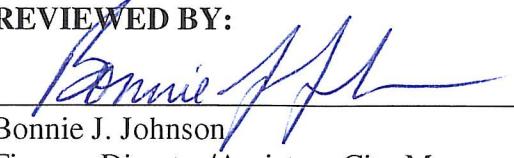
FISCAL DATA: The funds in the amount of \$12,000.00 for this amendment shall be utilized from the FY 08-09 Wastewater Division Operation Budget, Professional Services Account No. 680-8000-454-3311.

RECOMMENDED BY:



James D. Earhart
Director of Public Utilities

REVIEWED BY:



Bonnie J. Johnson
Finance Director/Assistant City Manager

APPROVED BY:



Brian Nakamura
City Manager

FIRST AMENDMENT TO CONSULTANT SERVICES AGREEMENT

FOR

**FINANCIAL PLANNING FOR WASTEWATER
AND
RECYCLED WATER SYSTEM PROJECT**

BETWEEN THE CITY OF BANNING

AND

RAFTELIS FINANCIAL CONSULTANTS, INC.

ARTICLE 1. PARTIES AND DATE

1.1 This First Amendment to Consultant Services Agreement for Financial Planning for Wastewater and Recycled Water System Project ("First Amendment") dated as of the 14th day of April, 2009, is entered into by and between the City of Banning ("City") and Raftelis Financial Consultants, Inc., a California Corporation ("Consultant").

ARTICLE 2. RECITALS

2.1 City and Raftelis Financial Consultants, Inc. entered into that certain Consultant Services Agreement for Financial Planning for Wastewater and Recycled Water System Project dated the 21st day of August, 2008 ("Agreement"), whereby Raftelis Financial Consultants agreed to provide professional services to develop user and connection fees for planning purposes.

2.2 City and Raftelis Financial Consultants now desire to amend the Agreement to include additional compensation of Not to Exceed \$12,000.00 to the original Contract Amount and revises the Scope of Services. The original Scope of Work and tasks are modified and revised to include the updating of the present economical conditions involving growth and costs for construction.

ARTICLE 3. TERMS

3.1 Contract Amount: Original Amount of \$25,000.00 plus \$12,000.00 Amendment No. 1 equals a Total Amount of \$37,000.00 (48.0% Increase).

3.2 Continuing Effect of Agreement. Except as amended by this First Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this First Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this First Amendment to the Consultant Services Agreement.

3.3 Affirmation of Agreement; Warranty Re Absence of Defaults. City and Raftelis Financial Consultants each ratify and reaffirm each and every one of their respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement. Each party represents and warrants to the other that the Agreement is currently an effective, valid and binding obligation.

Raftelis Financial Consultants represents and warrants to City that, as of the date of this First Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Raftelis Financial Consultants that, as of the date of this First Amendment, Raftelis Financial Consultants is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

3.4 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this First Amendment.

3.5 Counterparts. This First Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

CITY OF BANNING

By: _____
Brian Nakamura, City Manager

CONSULTANT: Raftelis Financial Consultants, Inc.

By: _____
(Authorized Officer)

Title: _____

Print Name

By: _____
(Authorized Officer)

Title: _____

Print Name

APPROVED AS TO FORM:

David Aleshire, Aleshire & Wynder, LLP
City Attorney

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: April 14, 2009

TO: City Council

FROM: George Thacker, Assistant Public Utilities Director

SUBJECT: Approving an Agreement for Professional Services Entitled "Financial Planning for Water System" to Develop Water Rates and Connection Fees

RECOMMENDATION: The City Council approves an agreement for Professional Services entitled "Financial Planning for the Water System" with Raftelis Financial Consultants, Inc. of Pasadena, CA, in the amount of "Not to Exceed" \$42,000.00 for the development of water rates and connection fees.

JUSTIFICATION: It is essential to update the existing water user and connection fees to finance the maintenance and operations of the Water Utility and determine the required connection fees for infrastructure and purchase of imported water supply to meet future demands.

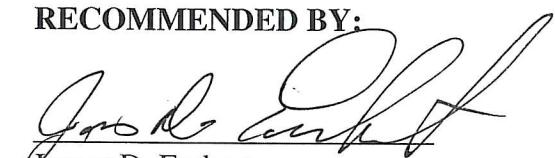
BACKGROUND: The City Council last approved water user rates at the July 8, 2003 City Council meeting, which increased the water rates for four years from August 7, 2003 to August 7, 2006. Due to the recent changes in the economical conditions, the slowing of development, the costs of doing business, and the increased costs for the purchase of imported water supply; it is necessary to update the water user and water connection fees for funding the Water Utility Operations and the collecting of the funds to cover the costs of required infrastructure and water supply to support future development of the City.

Staff requested a proposal from Raftelis Financial Consultants, Inc. who could immediately start the work. This firm is very reputable firm in the Water Utility industry and has extensive experience with financial planning for water and wastewater utilities. Also, Raftelis Financial Consultants has successfully completed past Water and Sewer User Rates and Connection Fees for the City of Banning, including the recent Wastewater Rate Report in which staff is presently reviewing.

Government Code, Section 4526, requires that the selection of professional services of an engineering firm shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and that the services should be provided at a fair and reasonable price to the public agencies.

FISCAL DATA: The funds in the amount of \$42,000.00 shall be utilized from the FY 08-09 Water Operations Budget, Professional Services Account No. 660-6300-471-3311.

RECOMMENDED BY:



James D. Earhart
Director of Public Utilities

REVIEWED BY:

Bonnie J. Johnson
Finance Director/Assistant City Manager

APPROVED BY:



Brian Nakamura
City Manager

CONSULTANT SERVICES AGREEMENT

By and Between

**THE CITY OF BANNING,
a municipal corporation**

and

RAFTELIS FINANCIAL CONSULTANTS, INC.

for

FINANCIAL PLANNING FOR WATER SYSTEM

AGREEMENT FOR CONSULTANT SERVICES

BETWEEN

THE CITY OF BANNING, CALIFORNIA

AND

RAFTELIS FINANCIAL CONSULTANTS, INC.

FOR

FINANCIAL PLANNING FOR WATER SYSTEM

This Agreement for Consultant Services ("Agreement") is entered into as of this 14th day of APRIL, 2009 by and between the City of Banning, a municipal corporation ("City") and RAFTELIS FINANCIAL CONSULTANTS, INC. (RFC), a California Corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Section 2 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Banning's Municipal Code, City has authority to enter into this Consultant Services Agreement and the City Manager has authority to execute this Agreement.

E. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained here and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the scope of services set forth in Exhibit "A" "Scope of Services" shall be completed pursuant to the schedule specified in Exhibit "A." Should the scope of services not be completed pursuant to

that schedule, the Consultant shall be deemed to be in Default of this Agreement pursuant to Section 21 of this Agreement. The City, in its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Consultant to continue performing the scope of services until such services are complete.

SECTION 2. SCOPE OF SERVICES.

Consultant agrees to perform the services set forth in Exhibit "A" "Scope of Services" and made a part of this Agreement.

SECTION 3. ADDITIONAL SERVICES.

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or listed in Exhibit "A" "Scope of Services," unless such additional services are authorized in advance and in writing by the City Council or City Manager of City. Consultant shall be compensated for any such additional services in the amounts and in the manner agreed to by the City Council or City Manager.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in Exhibit "B" "Compensation" and made a part of this Agreement. The total compensation, including reimbursement for actual expenses, shall not exceed **Forty Two Thousand Dollars and 00/100 (\$42,000.00)**, unless additional compensation is approved in writing by the City Council or City Manager.

(b) Each month Consultant shall furnish to City an **original** invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-consultant contracts. Sub-consultant charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice.

(d) Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's

work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, sections 16 and 17, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. Upon completion, expiration or termination of this Agreement, Consultant shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement, Consultant's guarantees and warrants related to Standard of Performance and found in Section 9 of this Agreement shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

(a) Consultant shall maintain any and all documents and records demonstrating or relating to Consultant's performance of services pursuant to this Agreement. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant pursuant to this Agreement. Any and all such documents or records shall be maintained for three years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Consultant's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination

of Consultant's business, City may, by written request, require that custody of such documents or records be given to the City and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 8. STATUS OF CONSULTANT.

(a) Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement, Consultant's guarantees and warranties related to Standard of Performance shall not extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

It is the understanding of City and Consultant that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 12. NONDISCRIMINATION.

Consultant shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 13. UNAUTHORIZED ALIENS.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 14. CONFLICTS OF INTEREST.

(a) Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Consultant will, perform non-related services for other governmental agencies and private parties following the completion of the scope of work under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 16. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs to the extent same are

caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or sub-consultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub-contractors of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity Agreements with provisions identical to those set forth here in this section from each and every sub-contractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this Agreement or this section.

(d) The provisions of this section do not apply to claims occurring as a result of City's sole negligence or willful acts or omissions.

SECTION 17. INSURANCE.

Consultant agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit "C" "Insurance" and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Consultant agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Consultant are material considerations for this Agreement. City has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including summary termination of this

Agreement. City acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subcontractors.

SECTION 19. CONTINUITY OF PERSONNEL.

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.

(b) Consultant may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Consultant or City fails to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Consultant or City, all property belonging exclusively to City which is in Consultant's possession shall be returned to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in Section 4 of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 of this Agreement.

SECTION 21. DEFAULT.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Consultant shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Consultant.

Such causes include, but are not limited to, acts of God, acts of the public enemy, and acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit "A" "Scope of Services," shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Banning
Attn: George Thacker
P.O. Box 998
176 East Lincoln Street
Banning, CA 92220

To Consultant: Raftelis Financial Consultants, Inc.
201 S. Lake, Suite 803
Pasadena, CA 91101
(626) 583-1894 office
(562) 583-1411 fax

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Consultant to the performance of its obligations hereunder.

SECTION 26 BINDING EFFECT

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 27. MODIFICATION OF AGREEMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 28. WAIVER.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 29. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

SECTION 30. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 31. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other Agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other Agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this Agreement shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 32. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

Agreement. City acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subcontractors.

SECTION 19. CONTINUITY OF PERSONNEL.

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.

(b) Consultant may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Consultant or City fails to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Consultant or City, all property belonging exclusively to City which is in Consultant's possession shall be returned to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in Section 4 of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 of this Agreement.

SECTION 21. DEFAULT.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

SECTION 22. EXCUSABLE DELAYS.

Consultant shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Consultant.

Such causes include, but are not limited to, acts of God, acts of the public enemy, and acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 23. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit "A" "Scope of Services," shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 24. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Banning
Attn: George Thacker
P.O. Box 998
176 East Lincoln Street
Banning, CA 92220

To Consultant: Raftelis Financial Consultants, Inc.
201 S. Lake, Suite 803
Pasadena, CA 91101
(626) 583-1894 office
(562) 583-1411 fax

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 25. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Consultant to the performance of its obligations hereunder.

SECTION 26. BINDING EFFECT

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 27. MODIFICATION OF AGREEMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 28. WAIVER.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 29. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

SECTION 30. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 31. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other Agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other Agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this Agreement shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 32. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY OF BANNING

By: _____
Brian Nakamura, City Manager

Date: _____

ATTEST:

Marie Calderon
City Clerk

APPROVED AS TO FORM

By: _____
David Aleshire, Aleshire & Wynder, LLP
City Attorney

CONSULTANT

RAFTELIS FINANCIAL CONSULTANTS, INC. Date: _____

By: _____

By: _____

Its: _____
Two signatures are required if a corporation

Its: _____

NOTE: CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO DEVELOPER'S BUSINESS ENTITY.

CALIFORNIA
ALL PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF _____) S.S.

On _____ before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that (he/she/they) executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(SEAL)

Signature of Notary Public

CAPACITY CLAIMED BY SIGNER:

Though statute does not require the notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

Signer is representing: _____

ATTENTION NOTARY: Although the information requested below is optional, it could prevent fraudulent attachment of this certificate to an unauthorized document.

Title of type of document:

Number of pages:

Date of document:

Signer(s) other than named above:

This Certificate must be attached to the document described above.

RFC Inc. Water

CALIFORNIA
ALL PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF _____) S.S.

On _____ before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that (he/she/they) executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(SEAL)

Signature of Notary Public

CAPACITY CLAIMED BY SIGNER:

Though statute does not require the notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

Signer is representing:

ATTENTION NOTARY: Although the information requested below is optional, it could prevent fraudulent attachment of this certificate to an unauthorized document.

Title or type of document:

>Title or type of document: _____

Date of document: _____

Signer(s) other than named above:

This Certificate must be attached to the document described above.

This Certificate must be attached to the document described above

RFC, Inc. Water

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following Services:

Based on our discussions with City staff, Raftelis Financial Consultants (RFC) proposes the following scope to address the City's needs.

GENERAL AND ADMINISTRATIVE

Task 1 – Project Management

This project component includes general project coordination, staff direction, and administrative activities throughout the course of the project. Specific subtasks are:

- 1.1 Coordinate project activities among RFC staff and City staff. Provide direction to staff as required to meet project objectives and deadlines. Ensure adequate levels of staff and resources throughout the course of the project. Review all study-related work and provide overall quality assurance.
- 1.2 Perform general administrative duties, including client correspondence, billing, and project documentation.

Task 2 – Project Initiation Meeting and Data Collection

This project component will provide opportunity to establish lines of communication; review project missions, goals, and objectives; review project schedule and major milestones; collect pertinent data for the study; and discuss any relevant background information. The meeting will also facilitate discussions of the overall approach and strategies that will be used by the City and RFC during the course of the project. Specific subtasks are:

- 2.1 Prepare an initial request for billing, financial and operational data and other pertinent information needed prior to the first meeting with City staff. A list of typical data required for the study will be provided before the first meeting.
- 2.2 Obtain and review the data and determine completeness and accuracy.
- 2.3 Review the City's current practices and policy objectives. Identify major interests and concerns.
- 2.4 Conduct a kick-off meeting with City staff to establish goals and objectives, to identify major interest, concerns, and City's expectations. The session will also facilitate a review of the overall study approach, schedule, and deliverables.

DETERMINATION OF REVENUE REQUIREMENTS

1. Task 3 - Revenue Requirement Projections

RFC, Inc. Water

The objective of this task is to project the City's revenue needs for the study period. This major task requires: an assessment of revenues based on the existing rates and fee schedules; an estimation of future revenue requirements; the City's ability to meet projected revenue requirements; and the determination of the level of revenue adjustments. The following subtasks will be completed:

- 3.1 Estimate water revenues based on current rates, incorporating the projected number of customers and service requirements. Update growth trends, quantity of service provided, and patterns in customer service characteristics will be evaluated. Recent studies of population trends and growth will be reviewed and used in making projections of customers and associated usage.
- 3.2 Review and project revenues from miscellaneous sources, such as interest earnings, miscellaneous service fees, and fire line revenues.
- 3.3 Develop annual revenue requirements for the water operation of the City taking into consideration the following factors:
 - Historical data and current year's budgets,
 - Current Operation and Maintenance expenses,
 - Historical water acquisition expenses,
 - Routine and major capital expenditures,
 - Future system service requirements and system growth,
 - Expected operational changes and inflation,
 - Debt service on existing short-term and long-term debts, including appropriate reserves,
 - Other cash obligations.
- 3.4 Develop future cash flow analyses for the water operation for a five-year study period showing application of revenue under existing rates. On the basis of the cash flow analyses, develop revenue level adjustments needed to meet projected revenue requirements. Consider reprioritizing and rescheduling capital projects and consider application of available reserves for capital improvement projects. Consider timing of rate adjustments to reduce impacts to customers and meet City's objectives.
- 3.5 Evaluate and recommend operating reserve balances that need to be maintained in the City's water funds.

COST OF SERVICE AND RATE DESIGN

Task 4 – Cost of Service Analysis

We will develop a cost of service rate model to reflect cost-causative concepts in accordance with generally accepted utility practices and Proposition 218.

RFC will allocate cost of service to current customer classifications. Specific subtasks include the following:

- 4.1 Based on current rates, we will update the relative responsibility of each customer class for each of the functional cost elements. Elements will be based on billing summary data, other locally available data which may be applicable.
- 4.2 Update the allocations of the cost of service to the various cost components which constitute a functional classification of the different types of service the City provides. Functional cost components for water will include base or volume related costs, water source costs, extra capacity costs, fire protection costs, and customer costs. These will represent the revenue requirements to be met from water charges and fees over the study period.
- 4.3 Distribute the costs by functional components to the various customer classifications, identified above, on the basis of the relative responsibility of each classification for service provided. Costs will be allocated based on the determination of unit of service for each customer classification and the application of unit costs of service to the respective units.
- 4.4 Compare existing revenue under existing rates by each customer class with the allocated cost of service to determine:
 - the adequacy of present revenue levels for each class
 - the indicated adjustment in rates required to equitably distribute costs to the respective classes of customers

Task 5 – Review and Development of Rates

The water revenue requirements from each customer class will be recovered through the existing rate structure. The tiers may be revised in consultation with City staff. The following subtasks will be performed:

- 5.1 RFC will compare the proposed water rates developed for the City with neighboring agencies of comparable service characteristics.
- 5.2 Prepare comparisons of typical water bills for each customer class under existing and proposed rates for typical levels of usage.

CONNECTION FEES CALCULATION

Task 6 – Review Current Connection Fee

RFC will review the current connection fee to examine the various facilities and water source components and the corresponding capacity. This is required to ensure that the new water connection fee costs are properly integrated into the revised fee.

Task 7 – Review and Compile Data

RFC will obtain and review the latest planning documents to assess the growth in new users and the related demands that will be placed on the water system. This information will be useful to determine cash flows and impacts on existing customers as well.

RFC will compile the current assets by function such as source of supply, supply, treatment, transmission, distribution, etc. to ensure that any existing facilities that are needed to serve new customers are accounted for in the development of connection fees. The City will provide depreciation schedules and a list of assets with their historic values.

RFC will review the water capital program, including pipelines, reservoir and pump station improvements. We will review the cost estimates prepared by the City are reasonable by comparing with inflation indices such as the Construction Cost Index.

Task 8 – Review New Water Resource Components

RFC will consult with City staff to develop and review new water resources. This may include several components including water supply, replenishment basins, treatment, and transmission facilities. We anticipate two meetings with staff to review and discuss the elements of the new water resource components.

IMPLEMENTATION

Task 9 – Draft Report

RFC will prepare a draft report for review by City staff.

- 9.1 RFC will prepare a water rates and connection fee draft report which will include findings and recommendations along with various graphics and tables for the City's review. RFC will present the results of the study at one meeting with City.
- 9.2 Deliver to the City an updated Excel-based rate model used to develop the proposed rates and rate schedules.
- 9.3 RFC will review the Proposition 218 prepared by City Counsel for consistency with the study.

Task 10 – Final Report and Presentation

RFC, with assistance of City Staff, will prepare a final report encompassing all study findings, input, and recommendations at the conclusion of the project and present findings to City staff and at public meetings. Specific subtasks include:

- 10.1 Incorporate the City's comments of the draft report into the final report and submit five copies to the City.
- 10.2 Present the final report and recommendations to the City.
- 10.3 RFC will make a presentation to the City Council at a public hearing.

II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A. Financial Plan Reports
- B. Assistance with SRF Loan Application

III. During performance of the Services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:

- A. Draft of Financial Plan Report
- B. Final of Financial Plan Report

IV. The tangible work products and status reports will be delivered to the City pursuant to the following schedule:

- A. Work to be delivered within a 12 month period.

V. Consultant will utilize the following personnel to accomplish the Services:

- A. Sudhir Pardiwala, P.E. Project Manager

VI. Consultant will utilize the following subcontractors to accomplish the Services:

- A. None

VII. AMENDMENT

The Scope of Services, including services, work products, and personnel, are subject to change by mutual Agreement. In the absence of mutual Agreement regarding the need to change any aspects of performance, Consultant shall comply with the Scope of Services as indicated above.

EXHIBIT "B"

COMPENSATION

RFC will complete the specified project requirements and deliverables in a timely and efficient manner. Presented below are the hourly rates, number of hours, and fee estimate to complete the tasks shown under Scope of Services. RFC proposes to provide the services on a lump-sum basis. The fees for these services will be \$42,000. Project meetings and additional services can be provided on a time and materials basis at the hourly billing rates shown in the tabulation below.

	Hours Requirements			
	Raftelis Financial Consultants			
	SP	HP	Admin	Total
Task 1 – Project Management	8		4	\$ 2,176
Task 2 – Project Initiation Meeting and Data Collection	6	10		\$ 3,108
Task 3 – Revenue Requirement Projections	4	20		\$ 4,312
Task 4 – Cost of Service Analysis	4	12		\$ 2,968
Task 5 – Review and Development of Rates	4	16		\$ 3,640
Task 6 – Review Current Connection Fee	1	2		\$ 574
Task 7 – Review and Compile Data	1	8		\$ 1,582
Task 8 – Review New Water Resources	4	4		\$ 1,624
Task 9 – Draft Report and Meeting	28	40	4	\$ 13,656
Task 10 – Final Report and Presentation	18	16	8	\$ 7,516
	Total Hours	78	128	\$ 41,156
	Hourly Rates	\$ 230	\$ 160	\$ 60
	Expenses			\$ 844
	TOTAL			\$ 42,000

EXHIBIT "C"

INSURANCE

A. Insurance Requirements. Consultant shall provide and maintain insurance, acceptable to the City Manager or City Counsel, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. Consultant shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of the City.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the Consultant and all risks to such persons under this Agreement.

(4) Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 3 consecutive years following the completion of Consultant's services or the termination of this Agreement. During this additional 3-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Consultant shall maintain limits of insurance no less than:

(1) General Liability: \$1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage. A combined single limit policy with aggregate limits in an amount of not less than \$2,000,000 shall be considered equivalent to the said required minimum limits set forth above.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employers Liability limits of not less than \$1,000,000 per accident.

(4) Professional Liability: \$1,000,000 per occurrence.

B. Other Provisions. Insurance policies required by this Agreement shall contain the following provisions:

1. All Policies. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to City.

2. General Liability and Automobile Liability Coverages.

(1) City, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant ; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, or employees.

(2) Consultant's insurance coverage shall be primary insurance with respect to City, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self insurance maintained by City, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, Consultant's insurance.

(3) Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to City, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against City, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by Consultant.

C. Other Requirements. Consultant agrees to deposit with City, at or before the effective date of this contract, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City Attorney may require that Consultant furnish City with copies of original endorsements effecting coverage required by this Section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Consultant shall furnish certificates and endorsements from each subcontractor identical to those Consultant provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Consultant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

**CITY COUNCIL AGENDA
CONSENT**

Date: April 14, 2009

TO: City Council

FROM: Ernest Marquez, Public Utilities Senior Water/Wastewater Engineer

SUBJECT: Amend the Existing Contract with E. S. Babcock & Sons, Inc. for Laboratory Services

RECOMMENDATION: Approve the budget transfer of \$30,000.00 from the Water Operations Professional Services Account No. 660-6300-471-3311 to the Laboratory Services Account No. 660-6300-471-2332. Amend the existing contract with E.S. Babcock & Sons, Inc. for laboratory services in the amount of \$30,000.00.

JUSTIFICATION: Every three years, the State Public Health Department requires additional sampling of the City of Banning's 22 water wells. The sampling costs exceeded the original contract amount of \$25,000.00 plus the additional amount of \$35,405 from Amendment No.1 for Fiscal Year 08-09 with E.S. Babcock and Sons, Inc.

BACKGROUND: The City is the Urban Water Supplier and provider of Wastewater Treatment for the service area in the City of Banning. Presently, the City has a contract with E.S. Babcock & Sons, Inc. for laboratory service testing of the City's water system. The yearly cost for water laboratory services usually does not exceed \$25,000. However, the original contract did not include the required every three year testing involving the City's twenty-two (22) water wells as mandated by the California Department of Public Health. Results of the testing will also be used in the City's Consumer Confidence Report (CCR) for 2009.

As you may recall, on March 10, 2009 the City Council approved Amendment No.1 to the original contract in the amount of \$35,405.00 with E.S. Babcock & Sons, Inc. However, the initial estimated testing cost of the City's twenty-two (22) water wells together with the numerous quantity of different tests required was lower than the estimated cost in Amendment No.1. In order to complete the testing requirements for the wells and for regular scheduled water system testing for the Fiscal Year 08-09 an additional \$30,000.00 will be needed for Amendment No. 2 with E.S Babcock & Sons, Inc.

FISCAL DATA: Funding for Amendment No.2 in the amount of \$30,000.00 is not available within the FY 08-09 Water Operations Laboratory Services Account No. 660-6300-471-2332. Therefore, a transfer in the amount of \$30,000.00 will be needed from the Water Operations Professional Services Account No. 660-6300-471-3311 to the Laboratory Services Account No. 660-6300-471-2332.

RECOMMENDED BY:


James D. Earhart
Director of Public Utilities

REVIEWED BY:


Bonnie J. Johnson
Finance Director

APPROVED BY:


Brian Nakamura
City Manager

SECOND AMENDMENT
TO
ANNUAL SERVICES AGREEMENT
BETWEEN
THE CITY OF BANNING
AND
E. S. BABCOCK & SONS, INC.

ARTICLE 1. PARTIES AND DATE

This Second Amendment to the Annual Services Agreement ("Amendment") dated as of the _____ day of _____, 2009 is entered into by and between the City of Banning ("City") and E.S. BABCOCK & SONS, INC., a California corporation.

ARTICLE 2. RECITALS

2.1 City and E.S. Babcock, & Sons, Inc., entered into that certain Agreement dated 24th day of July, 2008 ("Agreement"), whereby E.S. Babcock, & Sons, Inc. agreed to provide Lab testing for water samples..

2.2 City and E.S. Babcock, & Sons, Inc., now desire to amend the Agreement to include additional compensation of \$30,000.00 to the original contract amount..

ARTICLE 3. TERMS

3.1 Contract amount of \$92,905.00.

3.2 Continuing Effect of Agreement. Except as amended by this Second Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Second Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Second Amendment.

3.3 Affirmation of Agreement; Warranty Re Absence of Defaults. City and **E.S. Babcock, & Sons, Inc.** each ratify and reaffirm each and every one of their respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement. Each party represents and warrants to the other that the Agreement is currently an effective, valid and binding obligation.

E.S. Babcock, & Sons, Inc. represents and warrants to City that, as of the date of this Second Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to **E.S. Babcock, & Sons, Inc.** that, as of the date of this Second Amendment, E.S. Babcock is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

3.4 Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Second Amendment.

3.5 Counterparts. This Second Amendment may be executed in triplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

Signatures on Next Page

CITY OF BANNING

By: _____
Brian Nakamura
City Manager

Date: _____

E.S. Babcock, & Sons, Inc.

Signature: _____

Name: _____

Title: _____

Date: _____

2nd Signature Required if a Corporation:

Name: _____

Title: _____

APPROVED AS TO FORM:

Aleshire & Wynder, LLP.

City Attorney

E.S. Babcock & Sons, Inc.
2nd Amendment

Exhibit "A"

Compensation

E.S. Babcock & Sons, Inc., agrees to provide lab testing for water samples for the City of banning during Fiscal Year 2008/2009 for an additional amount of not-to-exceed \$30,000.00.

**CITY COUNCIL AGENDA
CONSENT ITEM**

Date: April 14, 2009

TO: City Council

FROM: **Bonnie J. Johnson, Finance Director**

SUBJECT: Report of Investments for February 2009

RECOMMENDATION: "The City Council receive and place these required monthly *Reports of Investments* on file."

JUSTIFICATION: State law requires that a monthly report of investments be submitted to the Chief Executive Officer and the Legislative Body.

BACKGROUND: This report includes investments on hand at the end of February 2009. As of February 28, 2009, the City's operating funds totaled \$76,744,002. Included in operating funds is \$4,593,618 of restricted CRA bond proceeds that are on deposit with LAIF and reflected separately on the Treasurer's Report. As of February 28, 2009 approximately 35% of the City's unrestricted cash balances were invested in investments other than LAIF.

Presented are three months of Investment Reports. February is a first issue, while December and January are included to provide multiple months of statements for comparison. The month of January also includes a correction to the *Individual Investments with Fiscal Agent* page.

FISCAL DATA: The latest reports from the State indicate that the average interest achieved by the Local Agency Investment Fund (LAIF) decreased to 1.869 % in February. The average rate for all investments in February was 2.143%.

RECOMMENDED BY:



Bonnie J. Johnson
Finance Director

APPROVED BY:



Brian Nakamura
City Manager

Summary Schedule of Cash and Investments**Operating Funds**Petty Cash

	Amount
Petty Cash	2,305

Bank Accounts

	Interest	Rate	Amount
Wells Fargo Bank		0.000%	124,712
Wells Fargo Bank-Investment Account		0.100%	1,096,590
Bank of America-Airport		0.300%	4,839
Bank of America-Parking Citations		0.300%	3,691
Bank of America-CNG Station		0.300%	<u>4,270</u>

<i>Money Market and Bank Account Sub-Total</i>	1,234,102
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Government Pools

Local Agency Investment Fund: Account #1	1.869%	30,863,519
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Account #2 Operating Amount	15,257,770
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Account #2 CRA Bond Cash Bal	4,593,618
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Local Agency Investment Fund: Account #2	1.869%	<u>19,851,387</u>
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<i>Government Pool Sub-Total</i>	<u>50,714,907</u>
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Operating Cash Balance	51,951,314
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Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund	0.110%	1,191,545
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Other Investments

Investments-US Bank/Piper Jaffray - See Page 2	2.839%	23,601,143
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<i>Operating Funds Total</i>	<u>76,744,002</u>
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Fiscal Agent

	Amount
BNY Western Trust Company	539,162
US Bank	<u>74,887,044</u>

<i>Fiscal Agent Total</i>	<u>75,426,206</u>
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Deferred Compensation

City Employee Trust Accounts	<u>3,587,466</u>
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<i>Deferred Compensation Total</i>	<u>3,587,466</u>
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**City of Banning Investment Report
Operational Portfolio Individual Investments**

February 28, 2009

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
124,712	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	124,712	n/a	124,712
1,096,590	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,096,590	n/a	1,096,590
4,839	Bank of America-Airport	n/a	0.30%	daily	varies	4,839	n/a	4,839
3,691	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,691	n/a	3,691
4,270	Bank of America-Parking Citations	n/a	0.30%	daily	varies	4,270	n/a	4,270
	Sub-total							1,234,102
<u>Government Pools</u>								
30,863,519	L.A.I.F. account #1	n/a	1.869%	daily	varies	30,863,519	n/a	30,863,519
19,851,387	L.A.I.F. account #2	n/a	1.869%	daily	varies	19,851,387	n/a	19,851,387
								50,714,907
<u>Investments-US Bank/Piper Jaffray</u>								
6,000,000	Fedl Natl Mtg Assn	n/a	3.750%	6/10/2011	9/11/2008	6,000,000	0	6,041,280
6,000,000	Federal Farm Credit Banks	n/a	2.625%	3/12/2010	3/24/2008	6,000,000	0	6,001,860
2,000,000	Fedl Home Loan Bank	n/a	3.100%	10/29/2010	4/29/2008	2,000,000	0	2,006,260
2,000,000	Fedl Home Loan Bank	n/a	3.280%	12/9/2010	6/9/2008	2,000,000	0	2,011,880
1,500,000	Fedl Natl Mtg Assn	n/a	1.790%	6/24/2010	12/24/2008	1,500,000	0	1,492,965
3,000,000	Federal Farm Credit Banks	n/a	2.370%	12/23/2010	12/23/2008	3,000,000	0	2,999,070
3,000,000	Fedl Natl Mtg Assn	n/a	2.000%	12/30/2010	12/30/2008	3,000,000	0	3,000,690
47,138	Money Market	n/a	0.980%	daily	varies	47,138	0	47,138
	US Bank/Piper Jaffray Average Rate=							
								2.839%
								23,601,143

Average Rate All= 2.143%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 8, 2008. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 193 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

February 28, 2009

Individual Investments with Fiscal Agent

TRUSTEE	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Feb-09	Market Value
BNY WESTERN TRUST COMPANY							
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.190%	11/1/2020 daily	522,375	0.00 *	522,562 16,600
US BANK							
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market First Amer Treas Oblig Fd CL D	0.220% 0.150%	daily daily	265,580	56.61	265,637 36,235
2005 Fair Oaks Ranch Estates	2035	First Amer Treas Oblig Fd CL D	0.160%	daily	190,323	5.37	283,419
2003 CRA Tax Allocation Bonds	2028	Forward Delivery Agreement - B of A First Amer Treas Oblig Fd CL D	4.330% 0.150%	daily daily	971,763	0.00 *	986,781 5,844
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	First Amer Treas Oblig Fd CL D	0.150%	daily	21.12	940,149 3,336,669	
	11/27/2009	Reliance Trust Company CDARS #9AMGGBF37	2.900%				
	2/19/2009	Reliance Trust Company CDARS #9AMGGGBT1	1.800%				
	5/21/2009	Reliance Trust Company CDARS #9AMGGBEU8	2.400%				
	11/19/2009	Reliance Trust Company CDARS #9AMGGBEV6	2.950%				
Reserve Fund		First Amer Treas Oblig Fd CL D	0.150%	daily			
Special Fund		First Amer Treas Oblig Fd CL D	0.110%	daily			
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		First Amer Treas Oblig Fd CL D	0.140%	daily		0.00	21
Principal Account		First Amer Treas Oblig Fd CL D	0.150%	daily		0.00	109
		First Amer Treas Oblig Fd CL D					
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		First Amer Treas Oblig Fd CL D	0.150%	daily		0.37	13,285
Principal Account		First Amer Treas Oblig Fd CL D	0.150%	daily		0.01	285
Reserve Fund		First Amer Treas Oblig Fd CL D	0.150%	daily		65.12	2,312,897
Project Fund		First Amer Treas Oblig Fd CL D	0.150%	daily		608.61	18,814,959
	5/7/2009	Federal Home Loan Banks	2.750%	daily		16,402.00	6,189,568

City of Banning Investment Report

February 28, 2009

TRUSTEE	Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Feb-09	2/28/2009 Market Value
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
Reserve Fund			First Amer Treas Oblig Fd CL D	0.130%	daily		0.25	835
			First Amer Treas Oblig Fd CL D	0.130%	daily		0.48	1,601
Acquisition & Construction	11/17/2011	Reliance Trust Company CDARS #9AMGGBEZ7		3.650%			0.00	3,016,509
		First Amer Treas Oblig Fd CL D		0.130%	daily		3.82	2,319,859
	11/27/2009	Reliance Trust Company CDARS #9AMGGBF29		2.950%				8,036,457
	2/19/2009	Reliance Trust Company CDARS #9AMGGBEW4		1.800%			65,910.10	0
	5/21/2009	Reliance Trust Company CDARS #9AMGGBEX2		2.400%				3,250,000
	11/19/2009	Reliance Trust Company CDARS #9AMGGBEY0		2.950%				8,000,000
Total				124,691.60			75,426,206	

*Paid Semi-Annually-Deposited into Money Mkt Account

Deferred Compensation

Balance	2/28/2009
2/1/2009	
704,776	Various Employee Selected Mutual Funds
2,063,898	Various Employee Selected Mutual Funds
<u>784,589</u>	Various Employee Selected Mutual Funds
<u><u>3,553,263</u></u>	

ICMA Retirement Corporation
CALPERS 457 Program
NATION WIDE-PEBSCO

Balance	2/28/2009
850,424	
1,986,925	
<u>750,117</u>	
<u><u>3,587,466</u></u>	

Summary Schedule of Cash and Investments**Operating Funds**Petty CashAmount

2,305

Bank Accounts

	Interest	
	Rate	Amount
Wells Fargo Bank	0.000%	127,334
Wells Fargo Bank-Investment Account	0.100%	1,559,955
Bank of America-Airport	0.300%	3,329
Bank of America-Parking Citations	0.300%	3,155
Bank of America-CNG Station	0.300%	3,410

Money Market and Bank Account Sub-Total

1,697,183

Government Pools

Local Agency Investment Fund: Account #1 2.046% 30,863,519

Account #2 Operating Amount 10,447,784

Account #2 CRA Bond Cash Bal 4,703,603

Local Agency Investment Fund: Account #2 2.046% 15,151,387*Government Pool Sub-Total*46,014,907**Operating Cash Balance****47,714,395**Restricted Operating Funds at Riverside Public UtilitiesHighmark U.S. Government Money Market Fund 0.110% 1,416,736Other InvestmentsInvestments-US Bank/Piper Jaffray - See Page 2 2.921% 24,561,344***Operating Funds Total*****73,692,475****Fiscal Agent**

BNY Western Trust Company

US Bank

Amount

539,162

80,433,020***Fiscal Agent Total*****80,972,182****Deferred Compensation**

City Employee Trust Accounts

3,553,263***Deferred Compensation Total*****3,553,263**

City of Banning Investment Report
Operational Portfolio Individual Investments

January 31, 2009

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium)	Market Amortization Value
<i><u>Bank Accounts</u></i>								
127,334	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	127,334	n/a	127,334
1,559,955	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	1,559,955	n/a	1,559,955
3,329	Bank of America-Airport	n/a	0.30%	daily	varies	3,329	n/a	3,329
3,155	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,155	n/a	3,155
3,410	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,410	n/a	3,410
	Sub-total							1,697,183
<i><u>Government Pools</u></i>								
30,863,519	L.A.I.F. account #1	n/a	2.046%	daily	varies	30,863,519	n/a	30,863,519
15,151,387	L.A.I.F. account #2	n/a	2.046%	daily	varies	15,151,387	n/a	15,151,387
								46,014,907
<i><u>Investments-US Bank/Piper Jaffray</u></i>								
925,000	Fedl Home Loan Bank	n/a	5.000%	2/13/2009	12/14/2006	924,873	127	926,156
6,000,000	Fedl Natl Mtg. Assn	n/a	3.750%	6/10/2011	9/11/2008	6,000,000	0	6,050,640
6,000,000	Federal Farm Credit Banks	n/a	2.625%	3/12/2010	3/24/2008	6,000,000	0	6,009,360
2,000,000	Fedl Home Loan Bank	n/a	3.100%	10/29/2010	4/29/2008	2,000,000	0	2,010,000
2,000,000	Fedl Home Loan Bank	n/a	3.280%	12/9/2010	6/9/2008	2,000,000	0	2,015,620
1,500,000	Fedl Natl Mtg. Assn	n/a	1.790%	6/24/2010	12/24/2008	1,500,000	0	1,496,250
3,000,000	Federal Farm Credit Banks	n/a	2.370%	12/23/2010	12/23/2008	3,000,000	0	3,001,890
3,000,000	Fedl Natl Mtg. Assn	n/a	2.000%	12/30/2010	12/30/2008	3,000,000	0	3,004,290
47,138	Money Market	n/a	0.980%	daily	varies	47,138	0	47,138
	US Bank/Piper Jaffray Average Rate=							24,561,344

Average Rate All= 2.297%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 8, 2008. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 212 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

January 31, 2009

Individual Investments with Fiscal Agent							1/31/2009
TRUSTEE	Bond Maturity Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Jan-09	Market Value
BNY WESTERN TRUST COMPANY							
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.2700% 0.100%	11/1/2020 daily	522,375	0.00 *	522,562
US BANK							
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market First Amer Treas Oblig Fd CL D	2.4000% 0.2000%	daily daily	265,580	84.67 0.00	269,150 98
2005 Fair Oaks Ranch Estates	2035	First Amer Treas Oblig Fd CL D	0.300%	daily	190,323	0.64	190,777
2003 CRA Tax Allocation Bonds	2028	Forward Delivery Agreement - B of A First Amer Treas Oblig Fd CL D	4.3300% 0.300%	daily daily	971,763	5,062.86 *	992,000
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007							
Redevelop Fund	2037	First Amer Treas Oblig Fd CL D	0.300%	daily	2.50	750,009	
	11/27/2009	Reliance Trust Company CDARS #9AMGGBF37	2.900%			3,336,669	
	2/19/2009	Reliance Trust Company CDARS #9AMGGBET1	1.800%			1,000,000	
	5/21/2009	Reliance Trust Company CDARS #9AMGGBEU8	2.400%			3,500,000	
	11/19/2009	Reliance Trust Company CDARS #9AMGGBEV6	2.950%			8,000,000	
Reserve Fund		First Amer Treas Oblig Fd CL D	0.300%	daily	1,880,751	6.43	1,927,407
Special Fund		First Amer Treas Oblig Fd CL D	0.030%	daily	0.00	0.00	569,289
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		First Amer Treas Oblig Fd CL D	0.050%	daily	0.00	0.00	21
Principal Account		First Amer Treas Oblig Fd CL D	0.300%	daily	0.00	0.00	109
Project Fund							
	12/1/2008	First Amer Treas Oblig Fd CL D Transamerica Occidental Life Ins Co C/O Aegon Institutional Markets Inc	0.300% 4.240%	daily	12.42	3,724,940	
					-	0	
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES							
Bond Fund		First Amer Treas Oblig Fd CL D	0.300%	daily	0.04	13,285	
Principal Account		First Amer Treas Oblig Fd CL D	0.300%	daily	0.00	285	
Reserve Fund		First Amer Treas Oblig Fd CL D	0.300%	daily	2,310,737.50	7.71	2,312,832
Project Fund		First Amer Treas Oblig Fd CL D	0.300%	daily	72.09	72.09	21,616,389
	5/7/2009	Federal Home Loan Banks	2.780%	daily	0.00	0.00	6,191,141

City of Banning Investment Report

January 31, 2009

TRUSTEE	Bond Issue Description	Bond Maturity Date	Investment Description	Current Yield	Bond Reserve Bond Maturity Date	Minimum Reserve Requirement	Interest Jan-09	1/31/2009 Market Value
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES								
			First Amer Treas Oblig Fd CL D	0.290%	daily		0.48	835
			First Amer Treas Oblig Fd CL D	0.290%	daily	2,961,500	0.87	1,601
Reserve Fund	11/17/2011	Reliance Trust Company CDARS #9AMGGGBEZ7		3.650%			0.00	3,016,509
Acquisition & Construction	11/27/2009	First Amer Treas Oblig Fd CL D		0.270%	daily		7.25	12,766
	2/19/2009	Reliance Trust Company CDARS #9AMGGBF29		2.950%				8,036,457
	5/21/2009	Reliance Trust Company CDARS #9AMGGBEW4		1.800%				3,450,000
	11/19/2009	Reliance Trust Company CDARS #9AMGGBEX2		2.400%				3,250,000
		Reliance Trust Company CDARS #9AMGGBEY0		2.950%				8,000,000
					Total		5,258.01	80,972,182

*Paid Semi-Annually-Deposited into Money Mkt Account

Deferred Compensation

Balance	1/31/2009	1/31/2009
ICMA Retirement Corporation	724,421	Various Employee Selected Mutual Funds
CALPERS 457 Program	2,110,524	Various Employee Selected Mutual Funds
NATION WIDE-PEBSSCO	801,025	Various Employee Selected Mutual Funds
	<u>3,635,970</u>	<u>704,776</u>
		<u>2,063,898</u>
		<u>784,589</u>
		<u>3,553,263</u>

Summary Schedule of Cash and Investments**Operating Funds**Petty CashBank Accounts

	Interest	Amount
	Rate	Amount
Wells Fargo Bank	0.000%	13,705
Wells Fargo Bank-Investment Account	0.100%	2,220,854
Bank of America-Airport	0.300%	3,419
Bank of America-Parking Citations	0.300%	3,314
Bank of America-CNG Station	0.300%	<u>3,221</u>

Money Market and Bank Account Sub-Total 2,244,513

Government Pools

Local Agency Investment Fund: Account #1 2.353% 32,158,159

Account #2 Operating Amount 7,617,523

Account #2 CRA Bond Cash Bal 4,794,460

Local Agency Investment Fund: Account #2 2.353% 12,411,984

Government Pool Sub-Total 44,570,143

Operating Cash Balance 46,816,961

Restricted Operating Funds at Riverside Public Utilities

Highmark U.S. Government Money Market Fund 0.860% 1,259,956

Other Investments

Investments-US Bank/Piper Jaffray - See Page 2 2.921% 24,626,255

Operating Funds Total 72,703,171

Fiscal Agent

	Amount
BNY Western Trust Company	<u>539,142</u>
US Bank	<u>79,594,720</u>

Fiscal Agent Total 80,133,862

Deferred Compensation

City Employee Trust Accounts 3,638,971

Deferred Compensation Total 3,638,971

City of Banning Investment Report

Operational Portfolio Individual Investments

December 31, 2008

Par Value	Investment Description	Coupon Rate	Interest Rate	Maturity Date	Purchase Date	Purchase Cost	Discount or (Premium) Amortization	Market Value
<u>Bank Accounts</u>								
13,705	Wells Fargo Bank-Operating	n/a	0.00%	daily	varies	13,705	n/a	13,705
2,220,854	Wells Fargo Bank-Investment Acct	n/a	0.10%	daily	varies	2,220,854	n/a	2,220,854
3,419	Bank of America-Airport	n/a	0.30%	daily	varies	3,419	n/a	3,419
3,314	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,314	n/a	3,314
3,221	Bank of America-Parking Citations	n/a	0.30%	daily	varies	3,221	n/a	3,221
	Sub-total							2,244,513
<u>Government Pools</u>								
32,158,159	L.A.I.F. account #1	n/a	2.353%	daily	varies	32,158,159	n/a	32,158,159
12,411,984	L.A.I.F. account #2	n/a	2.353%	daily	varies	12,411,984	n/a	12,411,984
								44,570,143
<u>Investments-US Bank/Piper Jaffray</u>								
925,000	Fedl Home Loan Bank	n/a	5.000%	2/13/2009	12/14/2006	924,873	127	929,912
6,000,000	Fedl Natl Mtg Assn	n/a	3.750%	6/10/2011	9/11/2008	6,000,000	0	6,071,280
6,000,000	Federal Farm Credit Banks	n/a	2.625%	3/12/2010	3/24/2008	6,000,000	0	6,018,780
2,000,000	Fedl Home Loan Bank	n/a	3.100%	10/29/2010	4/29/2008	2,000,000	0	2,015,620
2,000,000	Fedl Home Loan Bank	n/a	3.280%	12/9/2010	6/9/2008	2,000,000	0	2,021,880
1,500,000	Fedl Natl Mtg Assn	n/a	1.790%	6/24/2010	12/24/2008	1,500,000	0	1,500,465
3,000,000	Federal Farm Credit Banks	n/a	2.370%	12/23/2010	12/23/2008	3,000,000	0	3,005,640
3,000,000	Fedl Natl Mtg Assn	n/a	2.000%	12/30/2010	12/30/2008	3,000,000	0	3,015,540
47,138	Money Market	n/a	0.980%	daily	varies	47,138	0	47,138
	US Bank/Piper Jaffray Average Rate=							24,626,255

Average Rate All= 2.477%

It has been verified that this investment portfolio is in conformity with the City of Banning's investment policy which was approved by the City Council on July 8, 2008. The Treasurer's cash management program provides sufficient liquidity to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 224 days and does not include Bond Reserve Fund Investments.

City of Banning Investment Report

December 31, 2008

Individual Investments with Fiscal Agent								12/31/2008
TRUSTEE	Bond	Maturity	Current	Bond Reserve	Minimum	Interest	Market	
Bond Issue Description		Date	Investment Description	Yield	Bond Maturity Date	Requirement	Value	
BNY WESTERN TRUST COMPANY								
1997 Admin Building COPs Refunding	2020	Republic Bank Investment Agreement Federated U.S. Treasury Money Mkt	6.270% 0.010%	11/1/2020 daily	522,375	0.00 *0.00	522,562 16,580	
US BANK								
1991 Wilson St. Assessment District	2012	AIM U.S. Treasury Money Market First Amer Treas Oblig Fd CL D	0.370% 0.200%	daily daily	265,580	111.45 0.00	269,065 98	
2005 Fair Oaks Ranch Estates	2035	First Amer Treas Oblig Fd CL D	0.300%	daily	190,323	2.34 *	190,776	
2003 CRA Tax Allocation Bonds	2028	Forward Delivery Agreement - B of A First Amer Treas Oblig Fd CL D	4.330% 0.200%	daily daily	971,763	16,075.38 *0.02	986,398 1,810	
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF BANNING TAX ALLOCATION PARITY BONDS, SERIES 2007								
Redevelop Fund	2037	First Amer Treas Oblig Fd CL D Reliance Trust Company CDARS #9AMGGBF37	0.200% 2.900%	daily	9.21	750,009 3,336,669		
	11/27/2009	Reliance Trust Company CDARS #9AMGGBET1	1.800%			1,000,000		
	2/19/2009	Reliance Trust Company CDARS #9AMGGBEU8	2.400%			3,500,000		
	5/21/2009	Reliance Trust Company CDARS #9AMGGBEV6	2.950%			8,000,000		
Reserve Fund		First Amer Treas Oblig Fd CL D First Amer Treas Oblig Fd CL D	0.200% 0.270%	daily daily	1,880,751	23.66 0.00	1,927,401 0	
BUA - WASTEWATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		First Amer Treas Oblig Fd CL D	0.200%	daily	0.00	0.00	21	
Principal Account		First Amer Treas Oblig Fd CL D	0.200%	daily	0.00	0.00	109	
Project Fund		First Amer Treas Oblig Fd CL D Transamerica Occidental Life Ins Co C/O Aegon Institutional Markets Inc	0.200% 4.240%	daily	26,368.22	3,724,927 0		
BUA - WATER ENTERPRISE REVENUE BONDS REFUNDING AND IMPROVEMENT PROJECTS 2005 SERIES								
Bond Fund		First Amer Treas Oblig Fd CL D	0.200%	daily	0.16	13,285		
Principal Account		First Amer Treas Oblig Fd CL D	0.200%	daily	0.00	285		
Reserve Fund		First Amer Treas Oblig Fd CL D	0.200%	daily	28.39	2,312,825		
Project Fund		First Amer Treas Oblig Fd CL D Federal Home Loan Banks	2.740% 2.740%	daily daily	19.13 0.00	21,616,317 6,194,968		
Project Fund	12/1/2008	Transamerica Occidental Life Ins Co Investment Agreement #MN01748N	4.536%	daily	150,777.76	0		

City of Banning Investment Report

December 31, 2008

Individual Investments with Fiscal Agent

TRUSTEE	Bond	Maturity	Date	Investment Description	Current Yield	Bond Maturity Date	Minimum Reserve Requirement	Interest Dec-08	Market Value
BFA - ELECTRIC SYSTEM REVENUE BONDS 2007 SERIES									
Reserve Fund				First Amer Treas Oblig Fd CL D	0.530%	daily		585.60	834
				First Amer Treas Oblig Fd CL D	0.530%	daily		1,599.77	1,600
Acquisition & Construction	11/17/2011	Reliance Trust Company CDARS	#9AMGGBEZ7		3.650%		0.00		3,018,108
		First Amer Treas Oblig Fd CL D			0.530%	daily		12,758.49	12,758
	11/27/2009	Reliance Trust Company CDARS	#9AMGGBF29		2.950%				8,036,457
	2/19/2009	Reliance Trust Company CDARS	#9AMGGBEW4		1.800%				3,450,000
	5/21/2009	Reliance Trust Company CDARS	#9AMGGBEX2		2.400%				3,250,000
	11/19/2009	Reliance Trust Company CDARS	#9AMGGBEY0		2.950%				8,000,000
Total									
208,359.58									
80,133,862									

*Paid Semi-Annually-Deposited into Money Mkt Account

Deferred Compensation

<u>10/01/08 to 12/31/2008 Quarterly Activity</u>			
	<u>Contributions</u>	<u>Withdrawals</u>	<u>Gain/Loss</u>
Balance	21,961	(11,253)	(129,665)
10/1/2008			
ICMA Retirement Corporation			727,421
2,249,699	Various Employee Selected Mutual Funds		2,110,525
		(251,970)	
NATION WIDE-PEBSCO			801,025
		(61,014)	
	3,973,451		3,638,971

**CITY COUNCIL AGENDA
REPORTS OF OFFICERS**

Date: April 14, 2009

TO: City Council

FROM: Brian Nakamura, City Manager

SUBJECT: Council Consideration of a Potential City Revenue Ballot Measure and Consideration of a Professional Services Contract with Tramutola for Public Information and Feasibility Services Related to the Same

RECOMMENDATION:

1. "The City Council direct staff to proceed with moving forward with a proposed revenue ballot measure with a target election date of June 8, 2010 (or an alternative date as directed by Council)."
(note: if above recommendation is not approved no need to proceed to recommendation 2)
2. "The City Council of the City of Banning direct staff to bring back a professional services contract with Tramutola for Phase I public information and feasibility services related to a potential city revenue ballot measure."

JUSTIFICATION: At a special Council workshop on January 28, 2009 the Council directed staff to move forward with preparation for a potential ballot measure. Hiring of the consultant is one of the initial and key steps in the process. At the March 10, 2009 meeting the City Council considered the proposed contract, however, had a number of questions of scope of services, costs and project timeline.

BACKGROUND & ANALYSIS: As reported to Council in its January 28, 2009 workshop, for the past three years, the City's General Fund expenditures would have exceeded the General Fund revenues if there had not been one-time revenue sources and/or one-time salary savings from vacant positions to offset this. In addition with the recent drastic downturn in the economy, the City's existing tax revenue bases, primarily sales tax, property tax and transient occupancy tax, have seen significant declines. These sources of revenue are the main source for many City services.

In response to the fiscal situation, the City Council directed staff to move forward with cutting up to \$2.9 million in recurring expenditures from the General Fund budget in 2009-10 as well as start the process related to a potential utility user's tax (UUT) measure. Staff has already undertaken many of the expenditure reductions as directed by the Council.

In November 2007, staff solicited proposals from three experienced, well-known teams that do ballot measure feasibility and preparation work. At that time, the City selected the firm of Tramutola. However, after the completion of Phase I, the City ultimately opted not

to complete the public education phase. The City spent \$50,227 on Phase I of the project. At that time, the polling indicated tentative voter support for a $\frac{1}{4}$ cent sales tax increase. However, due to the changing economic times, the General Fund structural deficit and the dramatic decrease in the City's sales tax base, staff is now recommending pursuing a UUT and not a sales tax increase. The UUT would generate and estimated \$2.6 to \$3 million per year in revenue.

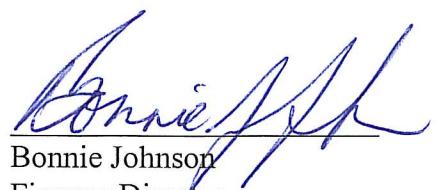
Due to Tramutola's familiarity with the City and the urgent nature of the City's budget situation, staff is recommending the hiring of Tramutola for this project. The scope of services includes public information and feasibility services (Phase I) as well as ballot measure planning and preparation (Phase II). However, there will be other costs included in Phase I that will be incurred in addition to the costs in the proposal. The proposed budget for Tramutola's services are expected to be approximately \$35,200 and include the following: producing and distributing a professional mailer \$9,200; a follow up tracking poll to gage the level of community support \$24,000; and miscellaneous other costs associated with public information phase \$2,000. The balance of the estimated costs, or \$46,800, is expected to be incurred in Phase II of the project. The consultant is estimating total project costs of approximately \$100,000.

The timelines to perform these services has not been fully developed and cannot be implemented until the City Council determines desirable election dates. There are several options as to the timing of an election. The above recommendation, which incorporates the consultant recommended 12-month process, assumes the following: A June 8, 2010 election; that Phase I will be completed no later than January 31, 2010; and if the City should opt to proceed to Phase II that would be completed no later than March 12, 2010 (88 days prior to the election date). Should Council desire a different timeline for an election, staff will bring back the details for consideration. In addition, even though any future measure will likely be on a special election and not a general election, if the City Council makes certain finding necessary to declare a fiscal emergency, the tax can be voted on as a general tax (i.e. 50% +1) in lieu of it being a special tax dedicated to a specific service(s) which requires a two-thirds voter approval. If the Council chooses to proceed in that manner, both our consultant and our City Attorney will advise as to the specific necessary findings.

If the Council desires to put any type of measure on a future ballot, staff is strongly recommending the use of a consultant. These types of consultant's have a great deal of experience and training and have been key to helping many cities and special districts develop winning strategies.

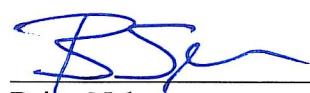
FISCAL IMPACT: The estimated cost to bring this project to the ballot (excluding the actual cost of a special election, which staff is attempting to acquire from Riverside County) is \$100,000. At the March 10, 2009 City Council meeting, Council approved a reallocation of existing appropriations to fund this project. Therefore, project funding is in place and no further appropriation is requested at this time.

RECOMMENDED BY:



Bonnie Johnson
Finance Director

APPROVED BY:



Brian Nakamura
City Manager